Copyright is owned by the Author of the thesis. Permission is given for a copy to be downloaded by an individual for the purpose of research and private study only. The thesis may not be reproduced elsewhere without the permission of the Author.

A thesis presented in partial fulfilment of the requirements for the degree of

Master
of
Arts

at Massey University, Manawatū, New Zealand.

Megan Coffey
2018
Abstract

The contracting out of social service delivery by the New Zealand Government to the non-profit sector has significantly altered the social service landscape. This study explored the ideologies that have supported contracting out under the Fifth National Coalition Government (between 2008 and 2016). Through analysing political discourse used publicly by this Government in media releases and speeches, this research explored how discourse reinforced the state’s approach to contracting out service delivery, and asked what impact the introduction of purchasing outcomes approaches has had on the contracting rationale. Using Critical Discourse Analysis, this research found that neoliberal ideology has continued to drive contracting under the Fifth National Government, with purchasing outcomes presenting no real challenge to the status quo. This study also identified the significant impact social investment has had on social services under this Government, and its role to reinforce neoliberal and neo-conservative ideology. The power dynamics inherent in contracting have also continued under the Fifth National Government, with discourse used to retain the Government’s position as the ultimate decider of funding and services. This study highlighted a clash between economic and social objectives, with the neoliberal ideology of the contract state conflicting with the ideology and objectives of non-profits. The importance of political discourse for protecting the status quo was identified, and questions raised about how discourse under this Government has been used to label social service clients as vulnerable. A review of the contracting approach to social service delivery is called for to challenge the barriers of ideology and discourse which prevent alternative models from being implemented. This study also calls on the Government to review how it works with other sectors, and identify ways to collaborate and manage the inherent power dynamics.
Acknowledgements

I would like to thank my supervisors, Dr Nicky Stanley-Clarke and Lareen Cooper for their expertise, guidance, thoughtful advice and encouragement.

A special thanks also to my partner Sam for his support and continuous encouragement throughout my studies and through the process of researching and writing this thesis.
# Table of contents

Chapter One: Introduction..................................................................................................................... 1  
Research Outline................................................................................................................................... 1  
Rationale for this Study.......................................................................................................................... 2  
Positioning of the Researcher.............................................................................................................. 3  
Research Context.................................................................................................................................... 4  
Definitions.............................................................................................................................................. 8  
Thesis Structure ...................................................................................................................................... 9  
Chapter Summary ............................................................................................................................... 10  

Chapter Two: Neoliberalism and the Contract State ........................................................................... 11  
Neoliberalism and the Role of the State................................................................................................ 11  
Alternatives to Neoliberalism and the Contract State.................................................................... 17  
Contracting Out: An Inefficient Market? ......................................................................................... 21  
What is the Role of the Hollow State? .............................................................................................. 25  
Alternative Purchasing Models.......................................................................................................... 26  
Chapter Summary ............................................................................................................................... 31  

Chapter Three: The History of Social Service Contracting in New Zealand .................................. 33  
Social Democracy and New Zealand’s Welfare State (1880s to the 1970s) ................................... 33  
Impact of the Contract State on Non-profits .................................................................................... 41  
Fifth Labour Government and Social Development (1999 – 2008) ............................................. 47  
Chapter Summary ............................................................................................................................... 60  

Chapter Four: Critical Discourse Analysis ......................................................................................... 61  
Research Aim ...................................................................................................................................... 62  
Critical Discourse Analysis: An Introduction .................................................................................... 62  
Research Lenses .................................................................................................................................... 69  
Fairclough’s CDA Model...................................................................................................................... 73  
Data collection: Selecting Texts ......................................................................................................... 74  
Criticisms and Limitations of Fairclough’s CDA Model ................................................................. 79  
Chapter Summary ............................................................................................................................... 82  

Chapter Five: Results .......................................................................................................................... 83  
Social Practice ................................................................................................................................. 83  
Discourse Practice ............................................................................................................................ 87  
Textual Analysis ............................................................................................................................... 98
# Chapter Summary

Chapter Six: Findings and Recommendations

Research Aim and Questions

Question One: What Political Discourses Support Purchasing Outcomes, and Contracting Out More Broadly, in New Zealand under the Fifth National Government?

Question Two: What Ideologies do these Discourses Reflect?

Question Three: What Power Dynamics are Evident within the Discourses Used?

Summary of Findings

Limitations and Critical Reflections

Research Recommendations

Conclusion

Bibliography

Appendix A