

# Northern Territory Coordinator General for Remote Services submission to the Senate Standing Committee on Community Affairs

## Inquiry into Stronger Futures in the Northern Territory Bill 2011 and two related bills

### ***Role of the NT Coordinator General***

The Office of the Northern Territory Coordinator General for Remote Services was established as part of the Government's Working Future policy. The functions and powers of the office closely mirror those of the Commonwealth Coordinator General for Remote Services. The NT Coordinator General for Remote Services is to work collaboratively with other parties to oversee, monitor, assess and advise in relation to:

- development and delivery of government services and facilities in the 20 Territory Growth Towns to a standard broadly comparable with that in non-Indigenous communities of similar size, location and needs elsewhere in Australia, including through:
  - Improvements to the coordination of the development and delivery of such services and facilities; and
  - Reforms to the development and delivery of such services and facilities;
- progress towards achieving the national *Closing the Gap* targets in the remote towns and communities of the Northern Territory;
- planning and strategic investment, in cooperation with the Commonwealth Coordinator-General, in the 15 communities identified under the National Partnership Agreement on Remote Service Delivery; and
- progress on implementing the six steps of the *Working Future* policy. *Working Future* is an integrated framework to improve outcomes for people living in remote communities with a focus on Territory Growth Towns, outstations and homelands, remote service delivery, employment and economic development, remote transport strategy and Closing the Gap targets.

It is the Chief Minister's intention that the office has the necessary authority to work with the Northern Territory public service to ensure the Government's *Working Future* policy is fully implemented.

### ***Stronger Futures***

The Stronger Futures Bills proposes changes to a raft of measures originally introduced under the Northern Territory Emergency Response Act which is due to expire in August 2012. The Stronger Futures Bills will repeal the NTER Act while retaining certain provisions relating to leasing, alcohol management, the permit system and community stores. It will also introduce new additional measures relating to alcohol; introduce measures to allow the Commonwealth to extend Northern Territory legislation relating to leasing to Community Living Areas and town camps; and amends the licensing regime for community stores.

Changes will also be made to the Social Security Act to amend the operation of the income management regime and will also make further amendment to enable the suspension of welfare payments in cases of school non-attendance.

## ***Community Engagement & Governance***

There are widely divergent views amongst Aboriginal people and the broader community as to the various consultation processes undertaken by the Australian Government following the introduction of the *Northern Territory Emergency Response* (NTER). Under the NTER it was envisaged that the initial measures of the Intervention were to follow a staged sequencing from 'crisis' management to 'normalised' arrangements. There needs to be a shift from consultation to meaningful negotiation with Aboriginal people that engages much more widely and effectively through existing Aboriginal governance structures and community members.

The establishment of Local Reference Groups and employment of Indigenous Engagement Officers under the NTER provides a minimalist mechanism for community engagement and consultation.

There has not been any serious effort or investment to ensure the effective participation and engagement of Aboriginal people in decision making in matters that impact on them.

Given the proposed legislative time frame for *Stronger Futures* (10 years) it is expected that there will be a greater commitment by all governments to conduct good faith negotiations with local and regional community governance structures as the means by which to rebuild relationships with Aboriginal people and communities.

It is recommended that appropriate resourcing and independent professional and technical assistance be provided to communities to support the development and/or strengthening of Aboriginal community governance structures to ensure their effective participation and decision-making. Such an approach would be consistent with Australia's commitments under the United Nations Declaration on the Rights of Indigenous Peoples.

## ***Capacity Development & the NGO sector***

Current approaches to capacity development are limited and not sufficiently well designed to deliver sustained change over time.

Capacity development is defined by the United National Development Program (UNDP) as "*the process through which individuals, organisations and societies obtain, strengthen and maintain the capabilities to set and achieve their own development objectives over time*" and that capacity exists at three levels – an 'enabling' environment, individual and organisational levels.

In 2008 COAG committed to investing in the service delivery capacity of Indigenous organisations under the National Indigenous Reform Agreement (NIRA) to promote opportunities for Indigenous service delivery.

The ANAO Audit Report (No.26) *Capacity Development for Indigenous Service Delivery* notes that

“... Indigenous provision is managed through funding relationships with around 7,000 organisations (Indigenous organisations represented less than 8 per cent of these in 2010-11) in the main community based, not for profit organisations....”

The ANAO review of FaHCSIA, DEEWR and DoHA management and administration of Indigenous specific grant funding to Indigenous organisations for the period 2010-11 found that across all three departments, grants were relatively small and short term

- FaHCSIA – average grant of \$55,000 for 12 months
- \$151,301 and 15 months for DEEWR and
- \$327,531 and 12 months in DoHA

By comparison however, non-Indigenous NGO's – Mission Australia, Red Cross, Smith Family amongst others have successfully tendered for multi-million dollar grant funding (over 3-5 year periods) under the NTER in direct competition with Indigenous service providers who had previously provided the same service.

Recent experience in the NT under NTER funding provides a number of examples where non-Indigenous NGOs have successfully tendered for government grants and have either been unable to deliver the service, or the service that has been provided has been found to be inappropriate and ineffective.

There appears to be a high degree of variability in the quality and performance of non-Indigenous NGOs many of whom have until recent years, had little experience if any, in working with Aboriginal people and remote communities. It is highly questionable as to what positive, sustainable impact has been achieved for these investments. There is an untested underlying assumption that non-Indigenous NGOs are capable of delivering a better, more effective service than local Aboriginal organisations and this assumption needs to be rigorously tested and evaluated.

International experience in capacity development (strengthening the capabilities of local people and organisations) suggests that the most successful approaches are those that are systematic with a long term outlook, flexible and responsive to suit local circumstances and strategies to address capacity at multiple levels – the operating environment, organisational and individual.

Aboriginal organisations play a significant role in providing services in remote communities and are usually the preferred service providers having sound local knowledge, cultural competence and often many years experience in delivering a diverse range of services.

There is a growing body of evidence from evaluations and research that government initiatives intended to improve outcomes for Indigenous Australians must adopt a strengths-based approach, actively engage and consult with communities and intended beneficiaries and target group, be culturally appropriate and adequately resourced over time.

Aboriginal organisations work within an uncertain operating environment over which they have little control or effective input, lack a secure funding base and the necessary professional and technical support to strengthen and improve their capacity to deliver services.

More attention and effort by governments is required to achieve the commitments made under the National Indigenous Reform Agreement. Rather than encouraging the non-Indigenous NGO sector to compete with Aboriginal organisations perhaps it might be prudent and more productive to encourage the development of long term partnerships and collaboration to strengthen the capacity of Indigenous NGOs e.g. professional development and training, strategic and business planning, management and administration, IT, HR and governance.

Consideration must be given to implementing a robust accreditation process including formal assessment of the capabilities and cultural competence of non-Indigenous NGOs to work effectively with Indigenous communities. Criteria for assessment and accreditation might include board composition, Indigenous policies and guidelines, employment and retention of Indigenous staff, demonstrated experience in working in partnership with Indigenous people, demonstrated practice of joint decision making and accountability etc.

A stable, consistent policy and operating environment together with secure funding (3-5 years) and investment in organisational capacity development would create strong viable Aboriginal organisations that would provide increased employment and career development opportunities for local people and long term sustainability to deliver much needed services.

### ***NT Context***

The Partnership Agreement on Remote Service Delivery in the Northern Territory focuses on improving coordination and service delivery to 13 of the larger communities across the Top End and 2 communities in Central Australia - Ntaria and Yuendumu.

The Northern Territory Government's *Growth Towns* strategy includes additional towns and communities of Borroloola, Elliot, Ali Curung, Papunya, Kalkarindji /Dagaragu.

While it is not possible for governments to provide the same level and standard of services to each and every community, urgent consideration must be given to developing a more flexible and responsive policy approach to improving service delivery arrangements across the whole of the Northern Territory.

The NT has more than 650 geographically dispersed discrete Aboriginal communities with approximately 80% of the NT's Aboriginal population residing in remote and very remote communities. 2006 ABS Census on NT discrete Aboriginal communities reveals that there are

- 9 communities with a population of more than 1,000 people (3 communities with populations of more than 2,000)
- 11 communities with populations between 500-999 people
- 45 communities with populations of 200-499 people.

Government efforts to address Indigenous disadvantage in the NT requires a more inclusive and comprehensive approach to ensure that additional resources are also directed towards those communities and regional centres that have until now, received little additional investment and improved access to services.

It should be possible to provide a range of core services (health, education, police etc) by adopting a regional service centre model (hub and spoke) that would service a cluster of communities within close proximity say 80-150kms radius. The nature and range of services to be provided would be determined according to need, population, demographic trends and profile, and proximity to other regional service centres.

Failure to provide enhanced regionally based services will continue to have an adverse social and economic impact on very vulnerable Aboriginal people and towns such as Tennant Creek, Katherine and Alice Springs. These service towns already struggle to provide relevant services (accommodation, transport etc) for visitors who often do not have access to an adequate level and range of services in their home communities.

## **10 year Sunset Clause**

Stronger Futures legislation proposes a ten (10) year timeframe which provides a unique opportunity for governments and Aboriginal communities to undertake long term community-based planning for capacity development and sustained improvement to infrastructure and services.

Community-based planning that facilitates genuine community engagement will support communities to gain some control over their own destinies and to plan for the future. Communities need to understand their current circumstances and situations, and collectively identify what they want changed. People need access to key information in order to know and understand the consequences of the status quo and work out what steps need to be taken in order to bring about positive, sustainable change that accord with their own aspirations.

Communities must be supported to engage in planning for the long term, conduct negotiations with governments and establish partnerships to ensure the progressive implementation of their plans. Governments must be committed to principles and practice of good governance (transparent decision making, accountability and dispute resolution) and jointly with communities, undertake rigorous monitoring and evaluation.

## **Education**

Aboriginal children in the Northern Territory, particularly those from remote and very remote communities and town camps have the poorest education outcomes and lowest school attendance and retention rates in the nation. It has only been in relatively recent years that pre-schools and secondary education has begun to be provided in remote communities in the NT. In many communities universal access to early childhood services and pre-school education programs are not available.

The Australian Early Development Index (AEDI) is a measure of five domains of child development at aged 5 in their first year of primary school. The five domains of development include

- Physical health and wellbeing
- Social competence
- Emotional maturity
- Language and cognitive skills (school-based)
- Communication skills and general knowledge

An AEDI assessment conducted in 2009 found that across the Northern Territory more than 23% of children were rated as 'developmentally vulnerable' on two or more of the five AEDI domains compared to 12% of other Australian children of the same age. NT Aboriginal communities that participated in the assessment approximately 59% of children were found to be 'developmentally vulnerable' on two or more domains. Many Aboriginal children in the NT are starting school at a significant disadvantage in comparison to other Australian children.

With such high levels of child development vulnerability and the absence of high quality, culturally appropriate early childhood and pre-school programs it is hardly surprising that school attendance and educational attainment year for age has not improved.

Since 2007 there has been a substantial increased investment by the Australian and NT Governments in resourcing for remote community schools that has provided new classrooms, additional teachers, teacher housing, school-based nutrition programs and pre-school programs.

In 2009 the Australian Government introduced the Improving School Enrolment and Attendance through Welfare Reform Measures (SEAM) intended to improve school enrolment and attendance in six trial sites in the Northern Territory (Wadeye, some schools in Katherine, Hermannsburg, Wallace Rockhole and Nguiu).

The Northern Territory Government's *Every Child, Every Day Strategy 2010-2012* is a Territory wide initiative designed to improve school attendance and retention, and to support young people transitioning from school into training and employment. A key element of the strategy is to build strong positive relationships between children, parents, community and schools.

Despite these initiatives and the much needed additional resources an evaluation of the strategy undertaken by the Department of Education, Employment and Workplace Relations published in January 2012 found that it was not possible to assess the impact of SEAM on school enrolment and attendance.

The current bills propose an expansion over the next two years of the SEAM to include all Remote Service Delivery sites (Alyangula, Angurugu, Galiwin'ku, Gunbalanya, Lajamanu, Maningrida, Milingimbi, Ngukurr, Ntaria, Numbulwar, Umbakumba, Wadeye, Wallace Rockhole, Wurrumiyanga, Yirrkala and Yuendumu and to Alice Springs, Katherine, Nhulunbuy, and Tennant Creek. The Australian Government has committed \$28.2 million over four years from 1 July 2011 to implement this initiative.

In light of the findings of the DEEWR Evaluation Report (2010) on *Improving School Enrolment and Attendance through Welfare Reform Measure (SEAM)* increased efforts to improve school attendance through the use of financial sanctions is unlikely to be a 'magic bullet' that will address the problem.

The reasons for poor school attendance and retention of Aboriginal children are highly complex and often specific to a particular community or school. The literature identifies four factors – the individual, the family, the community and the school that have an impact on school attendance. It is highly unlikely that there is one single strategy or factor that will result in improved school attendance.

It is far too simplistic to portray the problem as simply a lack of parental responsibility. Children who experience disadvantage across a range of life experiences are unlikely to be able to successfully participate fully in education.

Given the poor health status of many Aboriginal children (low birth weight, failure to thrive, anaemia, foetal alcohol spectrum disorder, hearing impairment) it would be prudent to ascertain what level of additional specialist educators (ESL teachers, special needs teachers etc) are required to ensure that all children receive a quality education. Provision of bilingual education in the early years of schooling also requires further consideration.

Available evidence<sup>1</sup> demonstrates that holistic, high quality early childhood development and education, and early intervention/family support programs are the most effective initiatives for improving outcomes for highly vulnerable and disadvantaged children. Adopting an evidence-based approach to improving school attendance is more likely to be effective and available resources should be committed to those initiatives that demonstrate results.

Suspension of welfare payments should only be used as a measure of absolute 'last resort' and careful consideration must be given to the particular situation and circumstances of the family.

## **Income management**

Introduction of income management under the NTER was premised on the need to ensure that at least 50% of an Aboriginal person's income support payments (Centrelink) and Veterans pensions were to be used for the purchase of essential household goods and services (food, clothing, rent, utilities etc). The measures for income management have been applied universally to Aboriginal people living in prescribed communities regardless of their individual and family circumstances (e.g. aged pensioners with no dependents, families and individuals who were already using the voluntary Centrepay deduction scheme to meet household expenses).

In maintaining these welfare reform measures little attention has been paid by the Australian Government to the absence of banking and financial services in remote communities which if available, could provide Aboriginal people with access to direct debit arrangements, low cost or no fee bank accounts and low or no interest loans. It is imperative that the Australian Government address this gap in access to financial services.

The Traditional Credit Union (TCU) was established approximately 15 years ago by a group of Aboriginal elders from Arnhemland and has branches in 11 Top End communities and head office Darwin. TCU has tailored its services to meet the needs of Aboriginal customers. It has also been extremely successful in recruiting and training local Aboriginal staff - 85% of the TCUs staff are local language speakers who hold a range of roles including tellers, supervisors and senior management. TCU has developed its own Financial Literacy Education program and assists customers and members to understand how to better manage their financial affairs.

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<sup>1</sup> Sue Dockett, Bob Perry & Emma Kearney, December 2010. *School Readiness: What does it mean for Indigenous children, families, schools and communities?* Issues Paper No. 2 Closing the Gap Clearing House. Canberra: Australian Institute of Health and Welfare and Melbourne: Australian Institute of Family Studies

Recently the TCU was successful in obtaining a grant from the Aboriginal Benefits Account to expand its services into other remote communities across the Northern Territory. Progress with this business expansion project is also being supported by the National Australia Bank.

It therefore extremely disappointing to note that in the absence of the mainstream banking and financial services sector in remote communities that there is no consideration under *Stronger Futures* to redirect existing Australian Government financial management and financial literacy programs to supporting the efforts of the Traditional Credit Union.

The Australian Government should develop a national plan for the provision of culturally appropriate and sustainable banking and financial services in remote communities where these services don't exist.

It would also be appropriate for the Australian Government to explore opportunities for alternative arrangements for the distribution and replacement of BasicsCards in those communities where the TCU could provide this service. Such an approach would be consistent with commitments under the National Partnership Agreement on Remote Service Delivery and the National Indigenous Reform Agreement (NIRA) to promote opportunities for Indigenous service delivery.

## **Alcohol measures**

The Northern Territory has some of the harshest penalties for possession, consumption and supply of alcohol in the country including heavy fines, imprisonment, and seizure of motor vehicles involved in the transportation of alcohol into prohibited areas. Unfortunately there is little evidence that these punitive measures have had any impact at all on problem drinkers.

The NTER Evaluation Report revealed that there had been an increase in alcohol-related offences including offences that were created under the NTER legislation.

Measures proposed under Stronger Futures including increased fines are likely to result in increased incarceration of Aboriginal people. Aboriginal people in the NT have the highest rates of incarceration in the country. These additional measures will exacerbate the current situation.

Additional measures to address alcohol abuse must be supplemented by investment in culturally appropriate and locally available detoxification and rehabilitation services. Additional resources are urgently needed for treatment and rehabilitation programs and community education programs delivered by Aboriginal people.

Alcohol management plans must be developed by communities (with appropriate support and resources) in accordance with community development principles and practice to ensure that these plans are tailored to meet the needs of the community.

It is recommended that a mandated floor price for alcohol across the Northern Territory be adopted.



## **Land Reform measures**

Repeal of compulsory 5 year leases under the NTER and the commitment of the Australian Government to encourage voluntary negotiation of leases over Aboriginal land is welcomed.

Additional measures proposed under Stronger Futures to improve the delivery of remote community housing is also a positive development.

Proposals to remove barriers to enable leases to be issued over Community Living Areas and Town Camps to promote economic development and home ownership is supported provided that land owning groups are properly resourced and are provided with the necessary financial, professional and technical expertise to make free and informed decisions.

Article 32 (1) of the United Nations Declaration on the Rights of Indigenous Peoples, Aboriginal peoples “have the right to determine and develop priorities and strategies for the development and use of their lands or territories and other resources.”

Changes in land tenure to allow leasing and home ownership are unlikely in the short term to dramatically improve the socio-economic wellbeing of Aboriginal people. If these amendments can contribute to increasing Aboriginal people’s control over their lands and resources and assists people to develop and determine their own priorities and strategies for development then this will be a positive outcome.

## **Store Licensing**

The original NTER measures established a licensing regime for community stores in prescribed areas to facilitate and support income quarantining. Store licensing was also an attempt to improve management and operations of remote community stores. Store licenses were issued based on an assessment of whether the store provided reasonable quantities and quality of food and groceries, financial management and governance practices.

Stronger Futures proposes to amend the licensing provisions to allow stores to be licensed for a 10 year period with new enforcement provision for non-compliance.

These proposed changes are supported however it is also recommended that systematic monitoring and assessment of store turnover of healthy foods (fresh, frozen, dry goods) should be closely monitored (quantity, quality and price) to ensure that people in remote communities have access to food and other goods essential for health and wellbeing.

Given the high rates of nutrition related illness, low birth weight of Aboriginal babies and failure to thrive in young children urgent consideration should be given to implementing additional measures and supports to reduce this burden of avoidable ill-health. Initiatives such as supplementing food supply for pregnant women, young children and the aged could be modelled on programs such as the *Women’s, Infants and Children’s Program* (WIC) delivered by the US Department of Food and Agriculture. A food supplementation program could be delivered through licensed community

stores and for a relatively small investment, could quickly achieve health targets set in Closing the Gap.

## **Community Safety**

There is ongoing concern at the broad powers of the Australian Crime Commission which are usually associated with offences relating to organised crime, the drug trade and terrorism. These powers introduced in 2009 including the power to compel witnesses to appear, the denial of the right to silence and the non-disclosure of proceedings, appear antithetical to the partnership arrangements implied under the Stronger Futures legislation.

There is little evidence of the effectiveness of these provisions. There has been little support to date for community education in relation to child and personal safety and a positive focus on building constructive engagement between the police and the community would provide a more productive approach to improving community safety.

The Australian government is a signatory to a number of international agreements including the International Covenant on Civil and Political Rights; the International Covenant on Economic, Social and Cultural Rights; Committee on the Elimination of Racial Discrimination; Convention on the Rights of the Child; and, the Convention on the Elimination of All Forms of Discrimination against Women. In addition the provisions of the UN Declaration on the Rights of Indigenous Peoples have been confirmed by the current government.

## **Monitoring and Accountability**

There has been sustained commitment and investments by all Governments under COAG and other initiatives to address Indigenous disadvantage. Stronger Futures proposed a 10 year legislative time frame and provides an opportunity to develop improved mechanisms for reporting and accountability. Improved transparency in financial reporting is crucial for everyone – Aboriginal people, taxpayers and the broader community. As noted by the Department of Finance Report on Indigenous Expenditure current financial monitoring and reporting on expenditure by governments is opaque, inadequate and fails Aboriginal people miserably.

At an absolute minimum it should be possible to report on what proportion of expenditure is used for public sector administration (staff, consultancies, travel etc) in \$ and percentage of overall budget, direct program expenditure. We should be able to make an objective assessment about value for money and whether the investments and outlays are making a difference? Are the funds being directed into those activities that will deliver a positive outcome i.e. into prevention and early intervention rather than tertiary and crisis measures?

Consideration should also be given to establishing a new and innovative approach to monitoring of government expenditure by including Aboriginal participation in budget planning and reporting processes.

New funding models need to be developed and implemented e.g. pooled funding (all sources of government funding) and the introduction of place-based/regional planning and budgeting.