



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

**HOUSE OF
REPRESENTATIVES**

STANDING COMMITTEE ON ABORIGINAL AND TORRES
STRAIT ISLANDER AFFAIRS

Reference: Capacity building in Indigenous communities

WEDNESDAY, 13 AUGUST 2003

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HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON ABORIGINAL AND TORRES STRAIT ISLANDER AFFAIRS

Wednesday, 13 August 2003

Members: Mr Wakelin (*Chair*), Mr Cobb, Mrs Draper, Ms Gillard, Mr Haase, Ms Hoare, Dr Lawrence, Mr Lloyd, Mr Snowden and Mr Tollner.

Members in attendance: Mr Cobb, Mr Haase, Ms Hoare, Dr Lawrence, Mr Snowden, Mr Tollner, Mr Wakelin

Terms of reference for the inquiry:

To inquire into and report on:

Strategies to assist Aboriginals and Torres Strait Islanders better manage the delivery of services within their communities. In particular, the committee will consider building the capacities of:

- (a) community members to better support families, community organisations and representative councils so as to deliver the best outcomes for individuals, families and communities;
- (b) Indigenous organisations to better deliver and influence the delivery of services in the most effective, efficient and accountable way; and
- (c) government agencies so that policy direction and management structures will improve individual and community outcomes for Indigenous people.

WITNESSES

**GILLAM, Ms Adrienne, Acting Group Manager, Economic and Social Participation Group,
Aboriginal and Torres Strait Islander Services1123**

**GRIFFITHS, Mr Rick, Commissioner, New South Wales East Zone, Aboriginal and Torres
Strait Islander Commission1123**

**NELSON, Ms Kerrie, Team Leader, Capacity Building and Integrated Development Team,
Aboriginal and Torres Strait Islander Services1123**

**NICOLAOU, Dr Loucas, Branch Manager, Community Development and Education Branch,
Aboriginal and Torres Strait Islander Services1123**

Committee met at 5.02 p.m.**GRIFFITHS, Mr Rick, Commissioner, New South Wales East Zone, Aboriginal and Torres Strait Islander Commission****GILLAM, Ms Adrienne, Acting Group Manager, Economic and Social Participation Group, Aboriginal and Torres Strait Islander Services****NELSON, Ms Kerrie, Team Leader, Capacity Building and Integrated Development Team, Aboriginal and Torres Strait Islander Services****NICOLAOU, Dr Loucas, Branch Manager, Community Development and Education Branch, Aboriginal and Torres Strait Islander Services**

CHAIR—I declare open this public hearing of the Standing Committee on Aboriginal and Torres Strait Islander Affairs inquiry into capacity building in the Indigenous communities. I welcome representatives of ATSI and ATSIIC. I remind you that these proceedings are legal proceedings of the parliament and warrant the same regard as proceedings of the House.

Mr Griffiths—Thank you for the opportunity once again to present the ATSIIC board's position. To kick off, I would like to pay my respects to the Ngunnawal people and the previous freedom fighters who camped on Capital Hill for a long time to get outcomes for our people. I acknowledge those people because they were instrumental in driving change to get to where we are today. I would also like to hand up a submission, prepared by ATSIIC, outlining the board's position.

CHAIR—Thank you.

Mr Griffiths—In my previous appearance I spoke from a regional or zone perspective and I had present the chairperson of Many Rivers, Stephen Blunden, and the Manager of the Coffs Harbour region, Andrew Riley. This time I talk from a national perspective because I represent the board today. I have been endorsed to present our position, which gives me the opportunity to talk on behalf of the board—it has been legitimised. All the commissioners are aware that I am appearing here today. It is sanctioned.

The process we are talking about is at the heart of our development, and we clearly recommend that in our submission. The submission continues to acknowledge the crisis in Aboriginal and Torres Strait Islander communities and our continuous disadvantage. That was never more evident than with the Prime Minister's visits to the Cape recently to look at the problems we struggle with and the solutions. He has gone up there with the best intentions. The only place to get real solutions to our massive problems, which have been highlighted, is in those communities themselves.

It is not a new phenomenon to suggest that Indigenous people have the answers to the problems. It is just a new way of doing business with governments to think we could provide the solutions. Often, Indigenous people are regarded as people who are the major cause of problems but who cannot come up with the answers or solutions to them. That is because of the inherent

racism in attitudes towards our people. Our people understand what the problems are and where the solutions lie.

Proceedings suspended from 5.08 p.m. to 5.20 p.m.

CHAIR—I welcome everybody back. I ask you to proceed, Mr Griffiths.

Mr Griffiths—One of the key issues I would like to talk about is bipartisan support. This is nothing new; I raised it in Newcastle. We need bipartisan support from the major parties in relation to block funding for Aboriginal and Torres Strait Islander organisations. Whether we move to a regional focus is another issue. To a degree, that runs in line with the current review being undertaken by Hannaford, Collins and Huggins. When we start to get that bipartisan support we can embark on real self-determination for our people. That is one of the key issues that has been missing from a lot of the rhetoric or discussion I have heard from people who have appeared before the committee. We have looked at the problems of the Cape and at finding solutions. One of the things that often gets discussed, but not seriously, is at treaty. This goes back to the Constitution. For there to be any real acknowledgement of Indigenous people, we need to be enshrined in the Constitution.

There needs to be a more integrated approach to capacity development or building frameworks for communities that allow for sustainable development. Developmental activities in communities and organisations and in government at all levels are necessary. It will not work unless it happens simultaneously over a long time. We call on both major parties for bipartisan support for that. We also seek this committee's help in advocating this approach to the Council of Australian Governments, COAG.

CHAIR—Thank you for your submission to our inquiry. I think that it really fits very well and you have clearly anticipated some of the things that we have done over the last 12 months—or what is coming up to 12 months. Your recommendations are commendable and I think that we have a pretty useful document. I want to thank you for that. Can I deal with this word 'capacity' and try to get your views about why you think we need to put it on the table: is capacity the No. 1 priority, and what do we mean by it?

Mr Griffiths—I think that it is one of the key elements. To ensure that self-determination happens, it is crucial that we develop the capacities of our people—not just communities. Money is not necessarily the key or the answer to that. We need the resources that are provided, to develop the capacity of individual people in all forms of management, governance and accountability requirements that ensure that organisations in the remote or rural areas do not get caught short with the procedures that are required by state and federal departments in regard to reporting, proper meeting procedures, the perception of conflicts, nepotism and all the other things that we read about quite often and that continually dog us. I believe that it also pushes the boundaries of thinking within our people. They make decisions and some of those may not be the decisions that they would make after a period of 12 months. If they have people who assist in the development of capacity, they may, in hindsight—after a 12-month period—have a look at how they have done things and then do them differently. What we are trying to do with the development of capacity is to give people the opportunity to succeed, rather than writing them off as failures.

CHAIR—Thank you for that. You have given a very good summary of that. It certainly talks about ATSIIC and ATSIIS and how that could contribute in the future. I want to go a little deeper, though, and talk about capacity in terms of education that would lead on to employment and other opportunities. Certainly, part of it is that choice. You might do things a little differently if you had a different view—and people were offering those different views. There is education and there are those sorts of basic planks—employment; can we get a snapshot of capacity, linking in as we go along, and go through the next five years?

Mr Griffiths—We need to also understand that ATSIIC does not have carriage of those particular programs. We have just signed an MOU with Oxfam to heighten the awareness of the ATSIIS staff. I think that we need to look further afield than just the ATSIIS staff. I think that all levels of government need to be taught how to teach people in communities and how to develop that capacity, whether it be through the education system or the health system. We also need to give serious consideration to how we harness the energy of good people in the communities so as to be able to access those programs to be directed into their communities and how we then build on that limited base in some of the communities to deliver those services. I think that Dr Nicolaou would have another view on it.

Ms HOARE—Going on from that, I was interested to learn a bit more about the MOU that ATSIIS has with Oxfam. You have spoken a bit about what it is hoped it will achieve—and you hope it will be expanded into other areas of the bureaucracy. How is the process going to be put in place to achieve the outcomes you want from the MOU? When was the MOU signed?

Ms Nelson—The MOU was signed in March this year. The purpose of the MOU is to undertake joint developmental activities with ATSIIS and Oxfam. We see them as having the developmental expertise that we do not have at the moment. We see it as a mutually agreeable arrangement, so that they learn how to interact with communities more effectively and we learn about development at the same time. Within that MOU, the first activity that we will undertake I will tell you about when you come back.

Proceedings suspended from 5.32 p.m. to 5.45 p.m.

Ms Nelson—I wanted to explain a little more about the MOU with Oxfam and some of the reasons why ATSIIS wants to move towards that sort of developmental approach. In the submission, it is made fairly clear that the limitations of existing service delivery are pretty well known and have been well documented over the last 10 or 15 years. If you look at page 8 of the framework we have put forward in the submission, you will see that at the community level one of the main things we see as changing things for the better and having a bottom-up approach is using community development methodology such as the Kretzmann and McKnight model that is being used in mainstream or NGDO best practice. Oxfam have already presented to you one of their community development methodologies. We want to get access to that and use that methodology to build the capacity of our staff to understand the difference between developmental approaches and current service delivery. The reason we want to do that is that we want our staff at the front line to understand what a developmental approach entails and how to support and manage that at the coalface.

Ms HOARE—I wanted to know a bit more about how Oxfam Community Aid Abroad would work here and whether we would be seeing development organisations playing the role that

governments should be playing, which it is obvious they have not played over so many years, in relation to developing capacity in communities.

Ms Nelson—Oxfam is just one development organisation that we are engaging with, and it is really just to do with our staff at this stage. When we get our advisory committee operational, we will engage with our commissioners to see what developmental activities we might undertake in communities—with their support, and being driven by a strategy developed by our commissioners, our regional chairs and people at community level.

Mr SNOWDON—I am interested in that approach. I recall that in the early nineties this committee did a report which addressed the issue of community development and, as a result of much of that work, there was then a great community development plan, which I am sure you remember.

Ms Nelson—I do.

Mr SNOWDON—Every community in Australia had to have, effectively, a community development plan. But we found, I think, that a whole range of consultants put themselves forward as experts in the field, when they basically had no bloody idea, and so they did not do community development plans.

Ms Nelson—That is right.

Mr SNOWDON—I am interested that you should be going to Oxfam. I make two observations. Firstly, did you see the advertisements recently in the Northern Territory newspapers? The Northern Territory government is advertising for community development officers and, as part of that employment, they are to undertake courses at the Northern Territory university, presumably on the basis of making sure they have the appropriate skills. That raises a significant question. The commissioner made the point that ATSIC is not responsible for education, health and a whole range of other matters. Whilst I think the initiative taken by ATSIC in the context of a community development approach is important, if the other agencies do not share it then it seems to me that we are not going to get very far at all.

The other observation I would make is: given that we do not know where ATSIC is going to finish up, in terms of what is going to happen in terms of governance models et cetera, how can we ensure that all this work which is being done by ATSIC will actually have a fruitful and productive outcome in terms of results on the ground?

Ms Nelson—They are all good questions—and, no, I have not seen the advertisements in the NT newspapers, but I am aware that there are a lot of capacity building initiatives and community development going on in the NT. I have had quite a number of interactions with people in the last several months about some of those initiatives. I think that one of the NT people is going to end up on our advisory committee, so there is going to be some cross-fertilisation between the Northern Territory initiatives and our own. The plan has always been to clean up our own backyard before we go further afield, but certainly we want your support for this framework so that we are able to advocate this framework with other agencies. We did not think it would be appropriate to go out and advocate this widely with other agencies yet, because

we have not done very much of our own work to give us the results we want in order to be able to go forward and encourage other agencies to do it. But it is certainly part of the strategy.

Mr SNOWDON—I accept that, but my concern would be that the stovepipes that are our government departments are going helter-skelter doing whatever they happen to be doing, and that might well be consistent with what your approach is or it might well be totally undermining the approach you have adopted. My concern is how to get this on the agenda now, as government responding properly to community development issues in communities rather than at a central level here or in Canberra, Darwin, Perth or anywhere else. I just wonder what weight ATSI now has within the government to be able to influence PM&C, or whatever other agencies are taking responsibility for coordinating the sorts of issues, to make sure that health, education and the other agencies—the line agencies—are not actually undermining the work that you are attempting to do.

Ms Nelson—We have just had a committee system set up that progresses the board's business at a group level. Very recently Loucas and Adrienne, in consultation with our board committee, have been looking at where it is most appropriate to lobby what ministers about capacity building, development issues and a range of other issues that the board committee is interested in. Loucas and Adrienne might like to talk a bit more about the emphasis on the commissioners working more directly with the ministers on some of the agendas that we want to progress.

Mr Griffiths—One very direct answer to that is the fact that, if PM&C do not drive those sorts of initiatives to stop the undermining of that process, it is never going to work. That needs to work from the top down. That needs to work nationally, not at a few locations that people, because of their profiles and because they have access to the media, can highlight. Those problems that we highlight in certain areas where you get that cooperation, from top-level ministers all the way down, exist all over Australia. If it does not come from PM&C right across the whole spectrum with a kick down effect then the capacity development of individuals in the communities from the bottom up will be a failure because people will white-ant the process all the way through.

Mr SNOWDON—Yes, I appreciate that. While you spoke I was thinking about the example of these trials that are going on. I was at Wadeye three weeks ago. The interesting thing there is that they are developing a governance model which is unique to them. There is no doubt about the commitment that the federal government and the Territory government appear to be placing upon getting things happening, but it is still frustrated by the inevitable bureaucratic blockages. I agree with you: unless this is driven by PM&C or the government gives the direction that this is going to happen, it will not happen. Then there is the inevitable problem of having the internecine jealousies that happen within agencies as well as externally. I am a bit of an advocate of having prerequisites placed on people who are going to work in the field so that, if they have not got these community development attributes, they have got to acquire them—otherwise they don't get the bloody job.

Dr Nicolaou—To respond to what has already been said, if you look at the recommendations of the ATSI submission, intrinsic to all of them—or most of them—is an intention to seek this inquiry's support to promote that approach. I think that would help other agencies to come along.

Dr LAWRENCE—Some of what I want to ask follows pretty neatly from Warren's observations, particularly about the prerequisites—looking at the government side, if you like. Regarding the people who are delivering services, we accept a level of ignorance amongst people who are involved in the Indigenous communities from the government side, which is really quite scandalous. One of the problems that follows from that is this stop start approach to service delivery and program development. It is not just at the coalface; it is all the way up to the top. So I am very keen for this committee, when it makes recommendations, to pinpoint that as one of the key issues, and I am pleased that in your framework you have effectively alluded to it, though perhaps you have not addressed it directly.

For instance, I wonder—and you may not be able to give me the figures, but we certainly should track them down—at the level of Indigenous employment within the public service, what percentage of employees in ATSISS are Indigenous people and what percentage of employees in the public service as a whole are Indigenous people? What percentage of employees overall have qualifications that fit them for a role in community development and capacity building? In other words, what percentage have some, at least minimal, understanding of Indigenous Australia, its culture, language and problems, whether they are in health, education or whatever. It strikes me that we do not have the necessary wherewithal to properly deal with Indigenous communities—and that includes members of parliament too. We are all pig ignorant, really, and I think we should remember that.

My first question is: how satisfied are you that the public service itself, including ATSISS, is in a position to improve the quality of understanding and knowledge that service deliverers and policy makers have at the moment? What might you recommend to improve that? The second thing is that you have pointed to the fact that you need a committee like this to help you to insert some of those values that should, if you like, go across all government departments and agencies. Frankly, if you need our help, you are in serious trouble, because that has to be driven from the top of government. I would like to think that committees were that powerful, but they are not. I hope we come up with a really good report that supports the sorts of things that you are suggesting. That is really important, but I think it really needs to come from the Prime Minister's office down. The people sitting around the table need to be the CEO of health and the CEO of education and the CEO of training, so that they actually have to sign up to objectives. Again I would ask for your comment on that suggestion.

The other thing that worries me is that some advice we have had from the Parliamentary Library says that, because of the changes to the relationship between ATSISS and ATSIIC, there is actually no need for ATSISS to take any notice of the board's policies and priorities. I do not know if that is a view that you share, but it seems to me that that is a significant corrosion of capacity in the Indigenous community. You have a whole lot of people sitting there making recommendations which need go nowhere. I would certainly like your advice on that. Sorry, my questions are a bit all over the place, but I think they are all important issues and I would like to hear from you.

Ms Nelson—I will take the first question, which was on how well we are set up. I think we would not be entering into the MOU with Oxfam if we thought we had the internal capacity to deal with these issues. That is why we have started there, and this is a very long-term project. Whatever happens with ATSIIC, something will take its place and a developmental approach will have to be progressed in one way or another, whatever takes its place.

I think there is a window of opportunity. Commissioner Griffiths referred to the PM going to Cape York and saying, 'The solutions to the problems in these communities are to be found in these communities.' That is at the heart of a developmental approach—that bottom-up inclusion of people in the design. We do not have the capacity, and I do not think any other government department has the capacity, to do this work at the moment.

The reason we are focusing on helping our staff understand the differences with a developmental approach and how to support and manage it is not that we want our staff to be development workers. We want to employ people with that expertise, but we need to understand it to be able to manage it. I do not think any government agency has that capacity at the moment. That is why we think the terms of reference are so good. You home in on government—improving the capacity of government to do their own capacity building to allow it to happen on the ground.

Your second question was about lobbying the PM down. We did touch on that very briefly, and the branch manager and the group manager might like to talk about it a bit more. Yes, using our politicians to lobby the mainstream politicians is a part of the strategy that needs to occur. We are seeking your support because it is another way of generating support for this approach but we will be doing a range of other things as well to generate support for our approach.

Dr LAWRENCE—You need more than support; it needs to be embedded. That is my point: it needs to be part of the culture of all of the people who work for government, even though the Indigenous community makes up only two per cent plus—getting on for three and higher in some communities—of the population. The needs are so much greater that, in a sense, a measure of the success of any government is how good the outcomes for Indigenous communities are. Building capacity is not much good if the outcomes are not improving.

Ms Nelson—ATSIC has always had a target of 60 per cent Indigenous staff and has always had criterion 1 and criterion 2—that is, a knowledge of Indigenous issues, cultures and diversity and the ability to effectively communicate—in its selection process as part of its recruitment strategy. All Public Service agencies now have an Indigenous recruitment strategy. I think that the Australian Public Service Commission spoke at the recent lead agency workshop run by the whole-of-government task force about initiatives to get those figures up, because it has not been working as well as it should be. The percentages are not as good as they want or as they predicted, so they are working on that. We brought with us the minister's directions that will address your last question—

Mr Griffiths—I think the figures are abysmal, to be quite honest.

Mr SNOWDON—For employment?

Mr Griffiths—Yes.

Dr LAWRENCE—Let alone knowledge. If we tried to measure knowledge, it would be embarrassing.

Mr Griffiths—We knock on the doors of key agencies in New South Wales and literally demand that there be an increase in the percentage of Indigenous people employed there. We are

at the bottom end of the scale and we demand that they have identified positions. Look at ATSI—there are no identified positions. While people say they want them to compete in the mainstream, if there is no opportunity for them to get in there in identified positions they never get in there. If there were identified positions in ATSI and other agencies, that would provide those people with an opportunity to get into the Public Service if they chose to; but at this stage there are none. Before we go I would like to offer up our speaking notes, because of the—

CHAIR—Because of the fragmented nature of the hearing—thank you. Going back to the Public Service Commissioner, I want to try to pick you up on one point. I am searching a little and you may not have an answer, but I am interested in any feedback. It is not working as well as it should. Were any departments a little better than others? Was there anything that just stood out in the recent discussions?

Ms Nelson—I cannot recall that level of detail.

CHAIR—I didn't expect that you would. I have heard of a couple of organisations that are not doing a bad job and I was looking to highlight them, rather than single out those who are doing an abysmal job, as the commissioner said. You would know what I mean.

Ms Nelson—But there is a contact in the Australian Public Service Commission that I could put your committee in touch with and they would be able to give you the facts and figures that you wanted.

CHAIR—Yes, we pricked up our ears when it was said.

Dr LAWRENCE—Returning briefly to that last question, before we forget it: is there a ministerial directive?

Dr Nicolaou—I will quote the ministerial directions to the CEO of ATSI:

In implementing programs and arranging services for Indigenous peoples, the CEO will take all reasonable steps to ensure that ATSI:

conforms to the policies and strategic priorities set and promulgated by the Aboriginal and Torres Strait Islander Commission (ATSIC)

There are a number of other items but the essence of them is that ATSI is to work with the government and the board. It is to follow the policy directions of the government and the board.

Dr LAWRENCE—Does that have legal force or is that just a wish? I am not sure of the nature of that ministerial direction. Some ministerial directives are just that. People do their best but there is no legal consequence if they fail to meet the requirements.

Dr Nicolaou—But the CEO is expected to meet the requirements if he is to do his job.

Mr Griffiths—No doubt when we get a new chair we will find out what happens there.

Dr LAWRENCE—So it will be tested in due course, you think?

Ms Nelson—Certainly at every meeting that I have been at the CEO has emphasised the need for that partnership between ATSI and ATSI. The reinforcement of the importance of regional planning since the separation of powers is also at the heart of the developmental approach. I think in the commissioner's opening statement he was going to build on what he had given as evidence in Newcastle about the importance of the Many Rivers plan and the inclusive nature of how that was developed. The separation of powers and the primacy of the need for the board to set strategic directions and the need for regional councillors to do the same, so that delegates have a very clear way of allocating funds and so on, means that ATSI is now refocusing on how to support regional councils and the board in this planning process.

Dr LAWRENCE—Do you want to add your observations to that, Mr Griffiths? I do not want to put you on the spot.

Mr Griffiths—There is a lot of effort to try to make the arrangement work. In the first instance, we believe that the separation of powers could have taken place within ATSI itself. That is the first thing I would like to say. The second is that the CEO appears to be quite committed in terms of support for the board's policy direction and policy setting. Most of that, I believe, will come from regional council as the planning process gains momentum in the 35 regions around Australia—the same process as the one we have been through. Our regional plan, believe it or not, is driven by the community. That is where our planning process comes from. We had nine forums up and down the coast of New South Wales, and they contributed. We said, 'Tell us what you want. We have a million dollars each here to spend on discretionary funding, because the other is quarantined.' We sat down and they prioritised the sorts of things that they would like to see in the nine regional forums. That is where we developed our plan. We were only going back to the future, to the things that we used to do years ago with community plans and community profiles. It was just a step backwards. But I think it is the only process that can really work.

CHAIR—Back to the future, as you said. I need to start winding this up. I have three or four quick questions. They will just be about your impressions and I do not expect depth. There is one in particular that we might need to spend a little bit more time on. I am trying to understand this, and you have touched on the role. But did I hear—and it may be too early, so we may be able to get through this question pretty quickly—of an ATSI-ATSI role in developing cross-agency and cross-government partnerships? Is there any particular area in which you would like to start, anything that is really obvious to you in terms of this cross-agency matter?

Mr Griffiths—Is that an individual question?

CHAIR—Sorry?

Mr Griffiths—Is that question directed at one particular agency?

CHAIR—Yes.

Mr Griffiths—If I take health as an example, I believe that to ensure health in Indigenous communities right across Australia we need to target that particular area to ensure that infant mortality rates drop dramatically, life expectancy starts to increase and we start to have a healthy lifestyle akin to our non-Indigenous counterparts, so that we enjoy the same sorts of benefits. I

am talking about the very remote—and remote—rural and urban communities. At 65, you guys get a pension; around Brewarrina, our people are dying at the average age of 32—from renal failure. Again, that was highlighted last week when a couple of our friends had passed away out there and they were 32 and 35 years old. Along with health would have to be housing, but health is one of the key issues for me and something that we should really focus on. There is not enough emphasis on service delivery to our people in communities. It is all about building empires for some of the larger health organisations. It is about bricks and mortar, not services on the ground.

CHAIR—Thank you. That gives us a snapshot of where you see a priority and the advocacy role that you would envisage.

Ms Nelson—I believe you are going to meet with the task force in charge of the whole of government trials next week. We, as you know, are very closely aligned and very interested in the work that they are doing and we have staff members on the task force, as a lot of the other lead agencies do. That task force is due to wind up and deliver a report to government before the end of the year and we are particularly interested in the lessons learned out of that whole experience. In relation to the question about whom you partner with and how you prioritise your partnerships, it is not so much about that for me; it is about how we get locational responses. If regional plans are going to drive what happens and are going to get a devolved response from all agencies to a location, then it is not so much about us partnering with a particular other agency as it is about how we respond as agencies in a coordinated way to a locational plan.

CHAIR—So it is the how—how that all comes together in a way that will give us the outcome. That is not easy; it is terribly complex and difficult, picking up the commissioner's point of where the priority is.

Ms Nelson—We have quite a lot of interaction with the whole of government task force and we know some of the difficulties that they are experiencing. Some of the feedback from the lead agency workshop from the Northern Territory was about how unsustainable the effort involved in that process is.

CHAIR—That is excellent feedback. We started with the Western Australian government in Perth on Tuesday and we had a discussion about what the COAG trials were about. One of the state officers very clearly said, 'We do not know, but we're trying to find out. Don't get too anxious about defining it at the moment; just understand that we're trying to find out.' I thought it was a pretty good response; it was realistic.

To move on, can I ask Adrienne a slightly longer question on CDEP, which I think is your area. It would be fair to say that last week in regional Western Australia—and Mr Haase will have a view on this as well—concern about the balance between regionalisation and losing community control or giving community impetus was the key. I understand the economics, which show that the more you keep those overheads down the more you can get community development. That is the theory in some people's minds. The question therefore becomes: how do you test that proper balance? How do you define it? We quizzed Richard Trevena, who is the ATSI manager at Broome, about this last Friday fairly well. Could you give us a couple of comments about CDEP, regionalisation and the community? How do you bring that together, how do you test it and how do you get ownership from that local group?

Ms Gillam—The initiatives to date that have been undertaken—in the Kullari example that I think you are referring to, for instance—have happened around Australia and they have been driven from the bottom up. They are quite interesting, in that they are not our stated policy position—there is no driving from ATSIC or ATSI saying that you must go in this direction. They have all been from local initiatives. We have Murdi Paaki, Kullari, Ngaanyatjarra lands—quite a few areas that have decided that the best way of service delivery in CDEP is to go down that track. It is a difficult road. We have just written a paper on it for the board committee so that they can look at the pros and cons of this road, the potholes, the strengths and the lessons learnt, so that we do not keep reinventing the wheel around Australia.

At the same time we have a process of CDEP policy and program reform, looking at how the program might be best delivered from financial year 2004-05 onwards. Is corporatisation and regionalisation a good thing to run with as a policy position and are there advantages to be promoted in that while being mindful of the kinds of difficulties and the losses that some people perceive that they have had through those regionalisations? We do not think it is an either/or situation—that is the problem with regionalisation. There are models that have retained organisational or even family based autonomy, where you have small out-station and satellite groups who wish to not have their authority and control taken away. But perhaps some functions are best performed elsewhere. Sometimes the strength of those things is in the formality of the agreements and how much of that is struck beforehand. We find that where they run into difficulties is where the consensus and the agreement has not been struck up front and has not been strong. That comes back to governance—where the model has not suited, you find that people will break away from the agreement that they might have reached.

So it is not something we drive from a policy program perspective at present, but it is a big part of the discussion paper that the board committee will be going out with in about September. It will say, 'This is CDEP 25 years in: one size fits all. Are there some things that we need to now start to talk about? Is this a good way of service delivery or not?' So far we have not imposed that top down, although there are compliance and accountability pressures on it that have caused people to go that way. If you are looking at the capacity-building, community developmental approach, you are perhaps moving away from the narrow compliance view of things into, 'Which is the most sustainable way for CDEP to deliver outcomes and work and be a program that 36,000 people voluntarily put their hand up for around Australia?' There are all those sorts of balances in it. We do analyse each of the models and we look at how they come about. They usually take a very long period of consultation and take the sorts of skilled workers that we are talking about that are not in great supply around Australia.

But there are some really encouraging examples. Ngaanyatjarra lands had 11 community advisers who to all intents and purposes could have been locally employed—there was no real reason why people could not succeed into those jobs. By amalgamating, they can now push down the savings to employ their own people in those roles, because all of the other functions that they perhaps did not want to take on—like the day-to-day accounting, computer data entry and administration—are done centrally. Therefore, the skills base you need to run the 11 jobs does not require you to import labour any more. You do not have a reliance on 11 community advisers. We have written a six-page paper for the board committee to have a look at. It has been like CDEP in every respect, and it has been an evolutionary process. Because the policy is broad and the framework is flexible, there are lots of different models and examples around Australia.

CHAIR—Clearly job markets vary throughout Australia. In some areas there is just no job market, and the phrase ‘sit-down money’ perhaps has more relevance. In some areas there is the potential for a job market, where people might, hopefully, expect to move through. They were two very simplistic models, and I accept that, but can you give us a quick overview of where there might be a reasonable—or some—prospect of a job market and moving people through? I know in my own area of Pitjantjatjara that clearly there is just not a job market.

Ms Gillam—You have gone straight to the point of the policy challenge that we have faced—we have become increasingly aware of it. In 1987 we rolled out CDEP to urban and rural regional centres in the same kind of way that we rolled it out to Balgo and a lot of remote communities, and that is the policy challenge now for ATSIC to have a look at. That one size fits all approach is not sustainable and perhaps it is not what we want from the program—from the inputs we put in. Perhaps they are not the outcomes we want now. You would have a different suite of outcomes for Redfern, Brisbane and those kinds of places, and perhaps in those aspects you would change the program guidelines and the criteria.

If you are looking at sustainability, getting away from sit-down money and rubbish work is still challenging. It is not easier in one or the other. We do see the policy challenge now for CDEP as being to keep it responsive, reflective and relevant to what each community’s objectives and outcomes might be. We are recognising that it has been a wonderfully adaptable program. You will never hear from me that it has degenerated, because there are some excellent examples of people making it work for them. So we need to catch up with that a little and say, ‘In these different applications it needs to be different things’.

CHAIR—I offer this thought: in terms of the evolution of a new era and a really serious challenge to the concept of passive welfare, the incentive component within Newstart or CDEP is a key issue. It seems to me that getting the right amount of incentive is a key issue if people, wherever they are, are going to see a purpose for getting out of bed in the morning and are going to see a challenge—more money in their pockets. It seems to me that that still remains to be resolved. We intend to talk to the department of finance about some of those issues and why the guidelines are as they are, because you are restricted, I understand, by some of those guidelines. I do not know if you can answer, but you may want to add something.

Ms Gillam—There are some myths about CDEP being underpaid and about it being a lower level of welfare. The allocations that we make for organisations per participant are not lower but, because you are an employee-employer, if you do not work and you have a no-work-no-pay policy conceivably you can be better off. So the competition from Newstart or welfare is a really important policy issue for us. It has been in the press in the last couple of days, with Minister Abbott up in the Cape York area. The competition from welfare—and we haven’t got time for this discussion—is partly to do with community participation agreements and CDEP. We get tremendous interest in the one in all in, revitalising communities. That has a growing momentum. It is an issue that is on the table with the board committee. ATSIC commissioners are right onto it, it is on the radar and it is within the discussion paper that they will be putting forward. These are the sorts of challenges, and they are hard ones legislatively.

CHAIR—They are very tough. The Commonwealth is almost verging on negligence in not facing up to these fundamental issues now. Regarding the issue of competition in this area, you could not have put it better.

Mr HAASE—I apologise for my absence. I was consulting a physician. I have a rigid neck which is driving me crazy. You are on the topic now that interests me the most. I am pleased to hear the degree of flexibility that you are voicing over the program. My concern, however, is that the degree of flexibility that you express seems not to exist at all levels. At the level that is outside the immediate community concerned, a degree of rigidity is perceived to exist.

If we look at the Kullari community on the Dampier Peninsula, there is certainly a perception by a number of the communities now under that group CDEP that they had little choice. We spoke to the ATSI group in Broome about this very topic, and their point of view was similar to your own, to a degree—less flexible, however.

We were told most definitely that this was not a top-down decision but a decision that was arrived at by the group. Everyone agreed that it was for the benefit of all, but I am suggesting that they were sold on the idea. I think eight communities have been brought under the group now, and I would say that the majority are better off as a result, but there is no doubt in my mind that one community is not better off. That is the community of Lombadina, which is the leading light—the classic example of where we would like all communities to go. I raise the point that we have to accept that this was a group decision, because that is what we are told, but I am suggesting that maybe some members of the group were coerced into agreement—for the betterment of the group, not realising what a detrimental effect agreement might have on their own particular situation.

Our whole discussion is about capacity building, and we all recognise that in communities sometimes there are just no real jobs—or very few at least. If somebody's job is the handling of the CDEP and that handling is creating, through its very frugal nature, some additional moneys to spend on additional projects which give additional employment, then the existing capacity that is there is a highly valuable foundation on which to build. If we change that arrangement, we often are perceived by other communities as punishing the success stories and therefore the degree of motivation that we do have deteriorates. It is an issue that needs to be very carefully looked at.

I would encourage you to do the same thing I encouraged our spokesperson in Broome to do: to review the situation at some point in the future, in a formal and acceptable manner, and where possible to give back that independence and that capacity for leadership—which is so sadly lacking in the majority of situations. If you would like to comment on that, by all means do so—any one of you may. It is something that I know is very heartfelt up there. The peninsula knows how well Lombadina runs. When members of those other communities see that Lombadina has been kicked in the shins they say, 'Hey, what chance have we got of ever getting on if, when Lombadina does such a good job, they can't win either?'

Ms Gillam—If communities have amalgamated or corporatised—or even if they have centralised some functions and retained others—it is certainly the intent that, where one of those communities at some later point no longer wishes to be party to an agreement that has been struck, an opportunity for that will be facilitated. It is not written in blood or stone. With CDEP there is often a perception that the rules need to be rigidly applied.

We have done a lot of work in the last two years to get out to regional offices—because that is where it is administered from—to say, 'That is not the intention.' The paper on corporatisation,

once it is cleared by ATSIC, will go out to regional offices, saying, 'These are some of the issues, and these are some of the dangers and the pitfalls.' You do not want to alienate, disempower or disenfranchise and undo the capacity that is out at Lombadina, for example. If Lombadina was party to an agreement and now no longer wants to continue in that way and if the service delivery would be better if they were not, there is nothing precluding that at all.

Mr HAASE—I am pleased to hear you say that.

CHAIR—Because the issue was also around some field officers who were Broome based. You know the classic position of where the central impact was applied and who was doing what. They are local issues but Mr Haase has made a very good point which we saw as recently as last week. I need to ask one more question. Mr Haase might like to—

Mr HAASE—I am happy, Chair. That was the only thing I wanted to add.

CHAIR—I just have a quick question, and it is something I do need an opinion on. You would be aware of Murdi Paaki, and they have suggested that maybe there is a place for a regional authority model. Could we have a comment on that? Commissioner, do you have a view about the regional authority model versus the regional council type model?

Mr Griffiths—I do. I think that the regional authority model could work okay for Murdi Paaki. There are 5,000 Murdi people out there—and you have the same number of people in Moree. I think that the regional council model in the Kamilaroi region works best for that area but, because Murdi Paaki is such a vast area, with a limited number of resources, I believe that the authority model would be advantageous to those people out there. In saying that, they seem to have the support of the state government. Housing and other key agencies are assisting them in driving that model out there. But my own personal view is that that model would not suit all of New South Wales.

I will ask one or two questions, if I may, in relation to the ATSIC review. I note with interest that a couple of members actually signed Mr Tuckey's document—the bottoms up approach. What degree of support can we expect from the committee, when some of its members have signed Mr Tuckey's submissions to the ATSIC review, which clearly advocates the abolition of ATSIC regional councils?

CHAIR—That certainly was not my advocacy. It was Mr Tuckey's view, and we all have a view. But the bottom-up funding principle, to reflect the principles that Mr Haase talked about, is the principle that we were particularly interested in. Mr Haase might be able to answer.

Mr HAASE—I do not move away from the support of that bottoms up funding. I feel very strongly about it. I do not for a moment believe there should be less funding. In fact, I could quite clearly demonstrate a process whereby we needed more funding, not less, flowing into Indigenous affairs generally. But the process of administering those funds, regardless of what they might be for, needs review, I believe. From such a review, there might come changes. There might be greater involvement by local government. I firmly believe that local government, to be genuine and non-racist, should be representing all of the population within its boundaries. Local government, I further believe, has the capacity to administer funds directed for the development of projects that will be pro-Indigenous, if you like. If that is at odds with ATSIC as it is today,

then it perhaps highlights the issue that there has not been a perfect process in the past and that I might see another way of doing things. We live, thank God, in a democracy and all manner of opinions come to the table to formulate a policy.

CHAIR—That will be an ongoing debate, and we will see. The philosophy, as I interpret it in its broadest, is that there is a genuine desire to put forward ideas—at a time when new ideas are coming forward—on how we could do things better around the whole issue of Aboriginal affairs, and we need to have that debate. Where it all ends up is for all of us to participate in, advocating our views and testing them against each other. Can I invite any final comments?

Ms Nelson—I would like to add that the submission was only formally handed to you today. As the committee members digest that more thoroughly, they may wish to discuss it with us a little bit more. We would be happy to be at your service if that discussion needs to take place.

Ms HOARE—Thanks.

CHAIR—Thank you. At first glance, I want to congratulate you. It is a first-rate document.

Mr Griffiths—I would like to make one closing comment, if I may. Our chairperson, has been stood down today. It is rather a black day for me, to be honest. I had long and hard deliberations about coming. I think there was an expectation that the court case would run its course prior to any movement by Minister Ruddock. Clearly, that has not happened. The fact that there has been good cooperation between ATSIC and ATSI—between the elected arm of ATSIC, me, and the people who are here—was the final contributing factor to me turning up. I just wanted to say it is a disappointment.

CHAIR—I note your disappointment and frustration, and I appreciate that. I appreciate it is put forward in the most genuine manner—that that is your genuine belief. I thank you all. Your attendance is very much appreciated. I apologise to all of you, particularly the commissioner, for those little green lights that kept interrupting us. It has still been a very worthwhile discussion, so I thank you.

Resolved (on motion by **Mr Haase**):

That this committee authorises publication of the proof transcript of the evidence given before it at public hearing this day.

Committee adjourned at 6.37 p.m.