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Official Committee Hansard

HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON ABORIGINAL AND TORRES
STRAIT ISLANDER AFFAIRS

Reference: Needs of urban dwelling Aboriginal and Torres Strait Islander peoples

WEDNESDAY, 4 APRIL 2001

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HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON ABORIGINAL AND TORRES STRAIT ISLANDER AFFAIRS

Wednesday, 4 April 2001

Members: Mr Lieberman (*Chair*), Mrs Draper, Mr Haase, Ms Hoare, Mr Katter, Mr Lloyd, Mr Melham, Mr Quick, Mr Snowdon and Mr Wakelin

Members in attendance: Ms Draper, Mr Haase, Mr Lieberman, Mr Lloyd, Mr Quick, Mr Snowdon and Mr Wakelin

Terms of reference for the inquiry:

To inquire into and report on:

the present and ongoing needs of country and metropolitan urban dwelling Aboriginal and Torres Strait Islander peoples. Among other matters, the Committee will consider:

1. the nature of existing programs and services available to urban dwelling indigenous Australians, including ways to more effectively deliver services considering the special needs of these people;
2. ways to extend the involvement of urban indigenous people in decision making affecting their local communities, including partnership governance arrangements;
3. the situation and needs of indigenous young people in urban areas, especially relating to health, education, employment, and homelessness (including access to services funded from the Supported Accommodation Assistance Program);
4. the maintenance of Aboriginal and Torres Strait Islander culture in urban areas, including, where appropriate, ways in which such maintenance can be encouraged;
5. opportunities for economic independence in urban areas; and
6. urban housing needs and the particular problems and difficulties associated with urban areas.

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Committee met at 4.14 p.m.**JURY, Mr John Richard, Manager Community Development, Anaconda Nickel Limited**

CHAIR—I now declare open this public hearing in relation to the committee's inquiry into the needs of urban dwelling Aboriginal and Torres Strait Islander people. As you know, the committee began this inquiry at the request of the former Minister for Aboriginal and Torres Strait Islander Affairs, Senator John Herron. The new minister, the Hon. Philip Ruddock, has also indicated his enthusiasm for the committee to continue its work. The inquiry will assist the government's continued introduction and development of practical measures to help indigenous people. We are consulting as widely as possible, and today's hearing is one of a number being conducted around the country. We wish to hear from all interested parties, Aboriginal and non-Aboriginal people, in a spirit of cooperation. This hearing is, of course, open to the public. A transcript of what is said will be made available. If anyone would like further details about the inquiry or the transcript, please ask any committee staff here at the meeting.

I now have great pleasure in welcoming Mr John Jury from Anaconda Nickel to give evidence. Although this committee does not require you to speak under oath, you should understand that these hearings are legal proceedings of the Commonwealth parliament. This warning is given to all witnesses in all committees: giving false or misleading evidence is a serious matter and may be regarded as a contempt of parliament. Hansard will be taking a record of what is said today. Before I ask you questions, I would like to record the committee's appreciation, John, for the hospitality and the assistance given to the committee when we visited, I think last September—time goes. It was fascinating and we learnt a lot from it. We are very pleased to renew our acquaintance with you, John. Do you have any opening statement that you would like to make?

Mr Jury—No, I would just like to record Anaconda's thanks and, on behalf of Andrew Forrest, our CEO, thank you for your time today and for your time in the past. We have moved forward fairly significantly since we had the opportunity to address this committee. I have brought some additional information today. If the committee permits, I am quite happy to bring you up to speed on where we have gone since we last met. There has been a continuing success of the project that we have had. With the 21 people you would have seen last year, 17 of those have gone into employment and we had an attrition rate of only five. Most of those people left because of personal issues and problems rather than employment related issues and problems. We have also done some other work that I will enlighten you on later on, if you wish.

CHAIR—You have foreshadowed that you have some new material to bring us up to speed. You could present that and explain what it is and then we will get into question mode.

Mr Jury—When we last met you asked us to put in some submissions to you. Those submissions were based on some difficulties we were having with continuing the funding and also in maintaining the model that we had used to train these people. It is fairly correct to say that, whilst the model works and it works quite well and it delivers the outcomes that we want, the real issue is that it is extremely unstable, relying on five or six individual contracts to be signed between various departments and agencies before we can actually run one course or every course. We took those concerns to various government agencies, and DEWRSB have since stepped up to the plate offering leadership in the area to try to develop more of a one-stop

approach whereby they would assist in coordinating ATSIC, DEWRSB and DETYA funding to try to assist the integrated development of models such as the VTEC project.

CHAIR—John, could I just see if I have understood that? You had to have contracts with a number of agencies at federal, state, ATSIC and perhaps the regional council of ATSIC level from time to time—

Mr Jury—Yes, and the CDEP organisation.

CHAIR—What you think you have broken through with now is that DEWRSB appears to be willing to become the broker amongst all the players, and hopefully that will lead to a contract with DEWRSB. DEWRSB will then make its arrangements without you having to worry about them. Is that it?

Mr Jury—I suppose what I will do is give you the next bit of information that you may find interesting. Because we had a reasonable amount of concern but we also felt the VTEC model was successful, we wrote to the top 150 ASX companies. We wrote to those companies asking if they would be interested in looking at our work and perhaps looking at how the model worked with a view to those people then picking up a model or similar model and running with it. This would then hopefully increase the level of employer participation in indigenous employment programs around Australia.

The end result of that is that 24 companies actually attended a weekend workshop three weeks ago at Scarborough. Those companies represented around about half a million jobs all up. Obviously Coles-Myer and Woolworths are nearly a quarter of a million of those. However, what was very interesting in that weekend workshop, which you have all the detail about, was that all those employers stated unanimously that they did want to be involved in indigenous employment programs. The reason they were not involved was that they did not have the knowledge, the skills, the time or the resources to learn enough about employing indigenous people or setting up programs, particularly if they use state and federal funding, to successfully develop any sort of program. They fell into two categories: guys who were sort of doing something and were half successful to successful, and then a bunch of people who wanted to do something but had no idea where to go and where to start. This basically reinforced our view that there was a big interest from Australian industry to put indigenous people into employment, but there was a definite need to have better facilitation between government and those employers. There was also a need to have some sort of industry facilitation process whereby people could use other people in industry to learn from and set up programs.

CHAIR—We will just pause there to formally table that information.

Resolved (on motion by **Mr Quick**, seconded by **Mrs Draper**):

That the documents tabled be accepted as exhibits and received as evidence to the inquiry into the needs of urban dwellings Aboriginal and Torres Strait Islander peoples.

Mr Jury—The interesting thing about the workshop is that it raised the same issues as the mining industry faced, and that really does settle the whole ambit of claims that we have always come up with back into the metropolitan area. You will notice that the employers include

companies such as Eurest Australia, Qantas, Coles-Myer and Woolworths. They are very urbanised companies. They are not remote companies, yet they seem to face the same challenges and barriers that mining companies do in accessing either the information or the integrated models to employ Aboriginal people. That led us to talking to DEWRSB and going for the one-stop shop.

We as an industry—if I can speak for this group, which at the moment they are quite happy for me to do on their behalf—believe there still need to be better projects set up to allow industry to talk to government. The main reason they are looking at better facilitation is that clearly they do not understand what a lot of the government agencies are actually talking about. It is easy for a government agency to come in and offer them a suite of projects, programs or policies. However, these companies do not understand what that means. They do not have anyone who can just say, ‘What are your needs? I have that knowledge so that I can actually now go to the government agency and say, “This is what these guys need and they need to access these programs.”’

These companies—and generally speaking most Australians companies—do not have that knowledge. Therefore, because they do not have the time to go and find that information, they do not participate in indigenous employment programs. We put a question to this group of people: if they knew how to do it, if they had better access to funding and if they had better access to the knowledge base they needed to be able to employ Aboriginal people, would they participate? Most of these people said they would. They were not talking collectively about 10,000 or 20,000 people; they were saying that as a group they had the capacity to employ 50,000 or 60,000 Aboriginal people. They just do not have the knowledge and the ability to because they do not have the information. It is really that simple.

On the other side of the fence, we have been doing some other research and we are finding that there is a very strong problem with supply. As you know, CDEP accounts for a significant portion of Aboriginal people who are not employed. But, if you talk to industry, they all say the same thing: ‘We just don’t get any Aboriginal people offered to us through the employment agencies and stuff like that.’ We had a bit of a look at that. There would appear to be evidence now—it probably needs to be researched at a better level—that Aboriginal people do not use the Job Network program because they find it a humiliating and shameful process. For instance, in the Goldfields area, they all go to the Goldfields Job Link because the CEO of their operations is an Aboriginal person and well known in the region—Sharon Tucker, whom you would know. So they all go there. They do not go to Job Network.

I was doing some reading on the ACC, which is the area consultative committee, in the East Gippsland area which did a research project last year looking at the same issues. They raised the same issues that I have raised with this committee in my submission, and that is that people do not want to use the Job Network. They find it a shameful and humiliating process. Because they find there is that level of uncomfortableness about it, they do not participate in the labour force as you and I would expect other people to. It is interesting that there is a supply issue. There are a couple of points to make in relation to that: first, we are not orienting the employment process to them or to what they feel comfortable with; and, second, it also told me that the employment process needs to be more focused on credible outcomes. Other evidence around suggests that most people do not participate in training programs, particularly traineeships, because they do not believe there is a job at the end of it. So, with that lack of credibility and also the self-esteem

issue when, they do not participate. Hence a lot of employers do not see these people come before them in the selection process.

The third issue that has come out of all the work we have been doing is about confidence and self-esteem. Lack of self-esteem and confidence appears to be another major issue which stops Aboriginal people from participating in the employment process, and that goes back to their not wanting to use Job Link and Centrelink. A lot of them just do not have the confidence to step into a company where they might be the only or one of a few indigenous faces in the sea of white ones. We are now looking at ways of perhaps developing some specialised program that improves their confidence level to allow that to happen. We have some evidence that backs that up. In the last group of VTEC students we put through, we had three or four of them go to outside organisations. Only one successfully transplanted to the external organisation; the other three basically dropped their bundle after two or three days and wanted to come back to Murrin Murrin where they felt safe.

CHAIR—How long had they been there?

Mr Jury—Two to four days.

CHAIR—And prior to them going there, how long had they been with VTEC ?

Mr Jury—They had been with us 18 weeks.

CHAIR—So, despite the 18 weeks, they were still not ready?

Mr Jury—They still were not able to transplant. We put that down to the fact that after 18 weeks they had built all their social framework at Murrin Murrin where there are, as you know, a high number of indigenous people employed and being trained. When they went to somewhere like a gold operation where there were only one or two indigenous people, they were not able to cope with the isolation. That led us to thinking that maybe we need to have some other interventionist training which allows them to have their confidence level either enhanced, improved or rebuilt so that they do transplant into other organisations well.

CHAIR—And possibly a mentor they could get in touch with in their new location?

Mr Jury—That already exists. We do have all the mentors going around checking them and looking after them. We have a full-time coordinator now provided by the state—we successfully attracted funding so that we could have a full-time coordinator doing all that—plus they have external elders who can assist, plus they have external mentors. We do not use supervisors and mine managers as mentors because we feel that is a bit of a conflict of interest. You cannot ask the supervisor to be the mother, father, discipliner, best friend and mate and then to be his boss and teacher on top. So we tend to take everything except the teaching bit and the supervision bit away from the supervisor and mine manager. All the rest is done by mentors or it is done in the preparatory training that we do. That is about where we are.

The smaller document is basically just a transcript of all the issues we discussed at the workshop. It starts with the expectations of the group and moves forward to some of the issues and factors that the group felt were relevant and that they needed to learn. From that

information we could build better programs, and that was one of the reasons why we decided to run this workshop. We believe we have enough information to build better programs. That is yet to be written up and submitted more formally to DEWRSB in the hope that they will pick up the leadership issue and start working with industry to develop better and better programs.

It is clear—if people are not going to participate for varying reasons, yet industry is keen to employ people—that there is something missing in the loop. I think a reasonable amount of work needs to go into that to work out how you get people to step over the line. It is clear that people do not move out of CDEP because that is a comfort zone, and they will not step out of the CDEP to move into employment. In the two years that the VTEC project has been running, we have not received one application from anyone in the local CDEP organisation—which has 285 people in it. We are now trying to work out ways of getting people to make the shift. As I said, I think that goes back to confidence, self-esteem as well as self-development and issues like that. That is where we are at and that is what we are trying to do at the moment—put together a couple of national projects.

CHAIR—Normally I would ask the deputy chair to lead the questions, but on this occasion we have Mr Haase, the local member for Kalgoorlie, present. I thought it would be appropriate if Mr Haase started the questions.

Mr HAASE—Thank you, Mr Chair. It is great to have you here, John. It strikes me that I have every reason to be proud, because it seems you are moving ahead on this question of indigenous employment at least equal to, if not better than, any other employer in Australia that I am aware of. It moves me to the point where I suspect that what you are giving to us today is evidence that would tend to fly in the face of a popular opinion out there that says that government is not doing enough to offer employment opportunities and training opportunities to indigenous people. You are saying to us that, regardless of how well you have put such an appropriate training scheme together, you are still not being inundated with applications from indigenous people to take advantage of such a scheme. You have given us a great deal of information that indicates the problems you have had and how those problems might now have been eased slightly with the cooperation of DEWRSB. Can you be specific and tell us what it is that you feel a responsible government would do? What do you think we should be putting into a report that indicates our reception of your suggestions?

Mr Jury—I will just step you back a bit. When I am talking about the supply issue, it is quite interesting that we are looking for 10 engineering tradespeople at the moment to put into our next course. We have just recruited nine to become process operators, and they are being trained at the moment. We are just about to get another 10 for engineering trades. We have had over 150 applications for those. So supply is not an issue; it comes statewide. We have also had applications from Queensland and from South Australia this time around.

Mr HAASE—When you say that you are not getting any approaches from CDEP recipients in the local area, you are, however, getting many approaches from elsewhere across Australia; is that right?

Mr Jury—That is correct.

Mr HAASE—I am glad we have clarified that.

Mr Jury—That is a significant issue because the people we are attracting are people who are not on CDEP. They are quite skilled at picking up bits and pieces of work along the way and maintaining employment in bits and pieces or they pick up a government job on a short contract for a period of time. Those people, who are about the top 15 per cent of the people we are dealing with, are the ones who, faced with the option of going into a training program with a guaranteed outcome, will put their hands up and redivert their energy. So supply is not an issue for that program.

Mr HAASE—So are you suggesting that those who are applying are persons who could well succeed elsewhere, who already have a reasonably employable standard of education and training in other areas and who are perhaps taking advantage of this opportunity? Should we be isolating this sort of opportunity to those who have no other job or training opportunities?

Mr Jury—That is a good question. I suppose the key issue you have to remember is that we are only paid for winners; we are not paid for losers. Industry cannot afford to pick up people who are not going to make it through the program—remembering that a person on the VTEC for 24 weeks costs \$20,000 one way or the other to various people and agencies. So we only get paid for the winners, and that means we can only take the best. About 60 per cent of the people out there—and a lot of those are inclusive of CDEP—need additional developmental training before they can even go into the VTEC type program. The real issue is getting those funds back in circulation to allow that 60 per cent of people to go through development training.

Mr HAASE—So underline to us again what it is you think needs to be done, what you need to achieve and what we need to perhaps change to make desirable outcomes more likely.

Mr Jury—There are probably three key areas you need to work on. The first one would be to enable industry to access developmental funds again so that you can take people you would normally not even consider in a recruitment process and get them up to a level where you can do that—before you even put them into something like the VTEC or another training program and then give them a job. That funding does not exist: it exists in one form through the TAFE network in the states, but it does not exist in a form that allows you to take these people into an industry environment and then train them in an industry environment. If you train them at a TAFE or you train them at a CDEP organisation, you cannot create the shift you need in that person's personal development to get them to go the next step. You must take these people and put them in an isolated environment. We are not talking boot camps or anything like that. We are saying you must take them into an invited environment where they get the rewards up front.

One of the reasons the VTEC program works is that we give them reward up front. They get to come to our house and live in our house. They get to eat all our wonderful food. We give them clothes; they dress in Anaconda clothes. We see a huge change in pride and self-esteem straight away. When they come to us, they have their normal clothes on—their Adidas shoes and stuff like that—and they look a fairly shabby bunch. We give them the Anaconda boots, hat, overalls, shirts and pants and then every time they come to class they look immaculate. They have their shirts tucked in, they are groomed and they are well kept. Because we treat them as equals from day one, we start creating that shift. We give them something to protect, something to be responsible for. One of the reasons the VTEC program works is purely that we do that.

The second reason it works is that we also pay them the national training wage. Again, we treat them as equals as best we can. Obviously we cannot pay them \$50,000 because they are not in a job, but we do pay them what is a reasonable wage. We do not expect them to live on the dole or on social security. If you are talking about moving people from one spot to another, you need to access funding that allows you to do that. You cannot do it at Curtin University in Kalgoorlie because these people will not respond to that environment. With a person on CDEP, if you can take that person from CDEP, bolster his salary and then put him into another environment where you can actually start working on his personal development and give him something to be responsible for and proud of, then you will start to create that shift.

Mr HAASE—I know you are not deliberately skirting the issue, but is it a case of money? Do you want a fund that will recognise the necessity to support prevocational training?

Mr Jury—There is an issue with money and there is also an issue with recognition. Let me go back a step. I had a meeting with DEWRSB and they just said, ‘Maybe money is the issue. Even though these people are not being employed, what if we pay you for them anyway?’ I said, ‘I don’t want that. If you are going to pay me, pay me to develop people. Pay me to deliver outcomes. I am happy to deliver outcomes but pay me for it. Don’t try to skirt around the edges by saying, “We will give you all the funding even though some fail.”’ It is not about money; it is about having the flexibility to go the next step.

We do not have the ability—and I cannot take shareholders funds to do this, obviously—to go to the next step, which is to start doing some research about what kind of programs are going to create the shift in these people. I need to be able to take a bunch of people and be funded so that I can go and do a bit more work with them. Those flexibilities do not exist. I am saying that we are at a brick wall and we have never gone over the wall into the next realm, and that is where I want to go. But you need access to funding for that, and that funding does not exist for the industry in the form that we believe is required. We can send people to TAFE all day but we will not create that shift. We need to be able to take them into an environment where they are rewarded, they are challenged and they develop the shift. You guys saw it yourselves; you saw the shift. You cannot do that in a TAFE but you can do it at a remote mine site, and you can do it in other environments.

Mr HAASE—How do DEWRSB stand on that position? Were they receptive? Did they have any leadership ideas?

Mr Jury—DEWRSB are putting together a response to industry. They held a meeting here on 26 February—or around that date—and quite a few of the mining companies came to that meeting. Basically most of the mining companies said the same thing: ‘We can only touch the top end; we cannot touch the middle people.’ They are the people you really want to get to because, as I said, if the top people do the VTEC program, they will work for us for a year and they will go somewhere else. If they do not pick up a job, they will come back into the next VTEC program; or they will go to Curtin and do another course and then they will pick up another job. But there is a bunch of people in the middle who do not. There is no incentive for them to move out of their position. It is not because they do not want to move, but they are not presented with something that is credible and that will give them the reward they want.

Mr HAASE—Do you believe that such a course, if funded, could be run by the VTEC on site in parallel with your other course?

Mr Jury—Absolutely. We know that if we can take these people into, say, the VTEC environment and show them the end, which is the job, the lifestyle and everything else, we are very confident that we can spend six to eight weeks with these people and then move them through a VTEC program—which would be shorter, by the way. Because you would do that development work up front, it means you can shorten the 24 weeks down to about 18. We believe that we would be able to get the shift that is required. It is just that we would focus on totally different issues in the front end from the ones you would focus on if you brought a higher level person into the VTEC.

Mr SNOWDON—Can I ask what you purpose you get money for at the moment? If I am a client, a person who comes into the system of the type you have described, what do you get paid for?

Mr Jury—If I can clarify which client: are you talking about someone who comes to VTEC or an employer who is going to take a VTEC person?

Mr SNOWDON—Someone who comes to VTEC.

Mr Jury—I get paid \$7,700, including GST, by DEWRSB. That covers your salary top-up and it covers your accommodation costs, provided you get through. Until recently I was also paid \$1,850 to cover mentoring and travel costs. But that has been knocked on the head by the state because they said, ‘You have a VTEC coordinator now so you do not need the mentoring anymore.’ They have forgotten about the travel. So now we need to talk to someone about accessing travel funding again.

We have access to 66 CDEP—the organisation—positions. They are paid the \$160 something, plus a \$20 remote allowance, plus another allowance on top of that, which is effectively the admin costs converted to salary. That gets them up to about \$240. That is about what we get. We get a piece of money from the state, we get a piece of money from ATSIC and we get a piece of money from DEWRSB. That basically covers everything for 24 weeks. But it will not go any further. It would be nice to run programs for a year, but I am not sure if that is equitable for the people.

Mr SNOWDON—In terms of the additional resources you require, what exactly do you require them for?

Mr Jury—The additional resources comprise the funding to do the developmental work.

Mr SNOWDON—The prevoc stuff?

Mr Jury—Yes, the prevoc stuff. We are now in the situation where we have to find funding to pay travel costs because we have kids from Perth going to the site every two or three weeks.

Mr SNOWDON—What wage top-up is provided for?

Mr Jury—We can take them up to \$386. We put in \$136 on top of their \$240.

Mr SNOWDON—So they will give you a 60 per cent top-up, roughly.

Mr Jury—They do not measure it like that. They say, ‘We will just give you unit costs of \$7,700.’ We have cut a deal whereby they will give us 46 per cent of that up front as soon as they start training. Then we get the rest in three bits: we get a third of what is left when they go into their job, a third after 13 weeks and a third after 26 weeks. So, if we lose people along the way, we have just over half of that money at risk.

Mr SNOWDON—So they give you seven grand at the moment. How much globally do you think you require to meet your needs?

Mr Jury—I did actually specify that in the correspondence to you. The unit costs of having some of the VTECs is around \$40,000 a year, so we need access to around \$20,000 and we do not have access to that. I think the figure you have there is \$9,850 something—max. If you look at other companies, when they had the forum meeting with the mining industry in February, most mining industry members are saying that \$10,000 is not enough and that it has to be around \$15,000. That allows you to move people around. It allows you to put in mentoring, because the mentors are going to cost you \$350 a day.

Mr SNOWDON—Mr Chairman, we might ask the department to give a chronology of how these things have changed since 1996. When I was responsible for labour market programs in the Labor government, we had 100 per cent wage top-ups in selected cases. The training for Aboriginals program was very flexible. After the change in government and the change in administration of programs, these things moved substantially. The issue about prevocational training, for example, is one for which DEWRSB ought to be able to say, ‘Here is a client. An outcome for us is you getting them into VTEC.’ If we can get them into a situation where they get the prevoc and then get into the VTEC program, then presumably that is a positive outcome; that is a saving in the end. The externalities in this are that there is a cost up front but a saving along the line.

Mr Jury—There is a net change because, as soon as you get someone into employment, you have a net turnaround of about \$150,000 per person. I look at it from a different point of view. TAP funding, which is what you were referring to, was basically knocked on the head as soon as the new government came into being. Then it was reinvented and came back as the current DEWRSB programs we have now. And to some extent, yes, it is successful. In reality the funding is flexible enough to run a metropolitan based program reasonably successfully. The problem comes when you actually take that and move it out into the bush, and that is where there is no recognition. That is something that we are trying to work on now.

CHAIR—I am anxious to call Mr Quick. Mr Haase, had you finished?

Mr HAASE—We could go on all day and I would enjoy it, John, because you know your subject. That is always a pleasure to listen to. I do not have any specific questions at this stage, Mr Chair.

Mr QUICK—I went out there and was gobsmacked by what you are doing. We took note of the obvious frustration of having to deal with half a dozen players in the market. If you guys have the runs on the board, the system should be flexible enough for you to access whatever buckets of money or a select bucket of money in order to expand this thing. In the papers you have given us, you are talking of tens of thousands of jobs that are potentially there if we can train these people right across Australia. If you have people coming, they must hear about it by word of mouth or somehow that Murrin Murrin has the best deal going. When you go through the system, not only are you prepared for work but there is an employee-employer relationship that is special because people care.

As federal legislators, I think it is incumbent on us to say to the department, 'Shift—change.' If it is a state government, the Commonwealth government, Job Network and the like, let us put a new model in place because obviously you have the runs on the board and are successful. One of the things that frustrates me in this job is that we put up national legislation with very little flexibility for specific winners, yet in lots of other areas we throw money around in tens of millions of dollars for a whole variety of reasons—one example is petrol sniffing. You suddenly pluck \$2 million out and throw it at it because petrol sniffing is on the front page of a national newspaper. Yet you could use probably less than half of that to employ hundreds and hundreds of people—not only employ them but also send the message to these kids that are underachieving and not valuing education. There does not seem to be a holistic approach to the whole thing. I compliment you and the company for what you are doing. I just think we need to shake a few people out of the tree and say to them, 'Let us put a Murrin Murrin work program in place and replicate it around Australia.'

Mr WAKELIN—I have a number of questions; I want to see if I get the gist of this. Out of 285 people, no-one has moved out of CDEP. The people you are able to encourage and who become part of your program clearly, as you indicated, were people who got by. They had a bit of a work ethic, they just had enough to be able to work, certainly compared with CDEP. That is of great interest to me in terms of the fact that no-one has come from CDEP. Was it the comfort zone? Do they feel that everything is not brilliant but, with those issues of confidence and esteem, there is some reassurance from the group? Could you just give us one or two more opinions of why no-one does move from CDEP? It is a fundamental issue, not perhaps directly to your program but to us understanding why CDEP is not as effective as it should be.

Mr Jury—There are some issues in the administration of CDEP, and I can only speak on behalf of our experience with one particular CDEP organisation. I am aware, being a judge on the indigenous business awards in Western Australia for the Department of Commerce and Trade, of some exceptionally good CDEP programs that are running. So you need to understand that I am only speaking about one CDEP program.

In that program it would appear that, for some reason, people get topped up quite significantly without any cause to be topped up, and any additional funds are used to top people up. In the light of the fact that they are getting \$300 or \$400 a week for 20 hours work, there is no incentive for them to move. That is an administration problem which ATSIIC need to address. ATSIIC are very aware of it. They have to work out how they can put that in on the ground. I think ATSIIC need some support from groups such as this to bring in the right protocols and regulations to make sure that any excess funds that CDEPs have are not used just to top people up. The fact that they are being topped up tells me that people are not happy on CDEP. There is

obviously pressure put back through families and onto committees to make sure that any excess funds are used to be topped up. We will not go into those issues because we have all heard thousands of examples of them before. That is one of the reasons why we do not get that shift.

The other reason we do not get the shift again within our area—I do know there are some CDEPs that are highly active in the next area I am going to talk about—is that the CDEP we deal with does not have or is not able to, or for some reason has never been able to, get involved in strong industry relationships. To get people moving out of CDEP into employment, you have to have strong industry relationships. You must have project officers who work closely with industry. I have put it to ATSIC that, if we had a project officer who worked exclusively with industry to put Aboriginal people out of CDEP into employment, the DEWRSB incentive that they would get alone would pay that person's salary. However, they would have to put that money in up front. That person could come up with three or four different models to move people off CDEP into mainstream employment, and all three or four of those models would be quite successful.

For instance, there is no reason why you could not have something like the VTEC—I am only using that because you need some employer group to handle the funding—through Anaconda's funding arrangements which could place people into employment through that facilitator. The arrangement could be that you have that person on \$300 or \$400 for six or 12 weeks, but the employer signs off that, if they jump through the right burning hoops which are specified at the front, that person gets employed. You could do that and that would not be a problem, because again it gets back to the issue that what you are doing is taking the pain away from the employer.

One of the key issues that this group found and that I have found through five or six years experience is that you must be able to take the pain away. It is too painful for these guys to even contemplate, work out and put together. Someone has to do it. This group is asking: can we have a national industry facilitator program with people who know what they are doing? I do not profess to have all the answers; I have a few and I make mistakes and learn every day from them. But if we had a national industry facilitation program, people like Santos, Coles and Qantas would have access to those people who would come into their companies and work with them. They could say, 'I will show you how to do it. Let's go and talk to people; let's go and talk to your supervisors; let's get everything prepared; let's go out and recruit some people.' That is one of the things I have put up to DEWRSB. Whether it gets any legs, I do not know. But we will discuss that. There are lots of different things that can be done. It is a matter of having the focused resources. It was interesting that you talk about \$2 million for petrol sniffing. I can get someone off petrol sniffing in six weeks.

Mr QUICK—How?

Mr Jury—The first thing I do is go and talk to the elders. I say, 'Do you want this to happen?' They say, 'Yes, of course we do. We don't want these kids going bad.' I say, 'Fine, all right. You have to work with me on this. I will put them together as a group but you are responsible for making sure the kids are there.' My responsibility is to make sure the kids are kept busy. I run Rangers groups where I live in Ellenbrook in Perth and I teach the Ranger kids woodwork. The whole idea with Rangers is that you have a bunch of young kids and you need to wear them out.

Mr QUICK—Same thing happens with all kids.

Mr Jury—Before that I was in OSEG, the Outdoor Subterranean Exploration Group, which was part of the Police Boys Club. We used to take young high school kids away and we used to flog them caving, canoeing, surfing, skiing and whatever all weekend—to wear them out. None of those kids ever got into trouble. It is the same thing if parents are prepared to work with you or put the time in: if you are prepared to give these kids something to do, you can achieve anything you want. It is just a matter of keeping them busy.

For instance, last year we ran a pilot program at the Laverton high school where the manual arts centre had not been opened since it was built. They built it for a cost of half a million bucks and it just sat there. We said, ‘We want to give these kids something to do because retention levels are quite low.’ The deal was that if you stayed at school you could get into the woodwork program—fair enough—so we sent someone over. It was a deal between us and Granny Smith Mine: they picked up the air fare and we paid the guy’s salary. Once a week we flew someone in who would run a woodwork class. That person then kept the kids amused and interested, and two or three kids actually started coming back to school because they wanted to be part of the group. They made a few things that they could take home—mug racks and stuff like that—which instilled pride in the family and stuff like that. That was a success. We have now used part of the state funding to say, ‘We want to run another program and continue that work.’ The new principal of Laverton is a manual arts teacher. He said, ‘How about I do the day stuff and you provide someone to do it in the afternoon between three and six?’

Mr WAKELIN—Is it just this year that there has been a new principal?

Mr Jury—Yes, the new principal came this year. So now we are in a situation where we have an opportunity to have the principal take these kids for manual arts during the day and then have after-school activities where these kids can come in and muck around and have some fun. Then they will go home and have dinner. The opportunity with that is that, if they are not running around the main streets of Laverton, there is a good chance that they are going to stay pretty well focused on what they are doing.

Mr HAASE—If I can interject for a moment: what is the name of the new principal please? He is ex-Blackstone, I know. That information can be given later.

Mr WAKELIN—You mentioned ATSIC’s support, but specifically, in dealing with ATSIC, how have they been supportive? They are an important part of the outfit in the sense of going back to the CDEP and the overall encouragement given. What has ATSIC said?

Mr Jury—ATSIC comes from two sides. I suppose it comes back to the argument I have always held—that you cannot have reconciliation in a country where you have divisive federal policies, such as Abstudy and Austudy. Work for the Dole and CDEP are another example. With all due respect to ATSIC—there are some wonderful people in ATSIC—we have actually set up a completely separate government system for indigenous people in the country. It makes it difficult to have reconciliation unless you can develop a harmonious environment. From within that comes the problem that ATSIC seems to have. Again I qualify this by speaking only about my own region, because I do know that other ATSIC regional councils work better than perhaps ours might.

Whilst we are getting lots of support from the people within ATSIC who are employed at the public service level, we are finding it extremely difficult in relation to the elected members in the regional council and people on councils such as the CDEPs and the like. We are finding a lot of family feuding and politics and a totally different mentality. There seems to be a perception, particularly around the goldfields, that Aboriginal money is Aboriginal money—it is not to be spent anywhere else—and that, if they need other money, the mining industry and people like that should be footing the bill. The problem you have there is that it sets up a permanent welfare mentality, that ‘This money must be kept for Aboriginal people and we can use it for what we like.’

That issue creates the problem that, if industry wants to come up with a good initiative and work with indigenous people, it cannot find any additional funds. There are five or six people we could put into indigenous enterprises if we could access funds at commercial rates. It is a significant issue in some ways because Aboriginal people cannot access capital like non-indigenous people can, but they should be able to access it in a form that is not subsidised either. I had discussions with Barry about this. It is not fair if someone goes into business next to me and is not paying interest when I have had to borrow for a commercial venture at, say, 12 per, because there is a reasonable amount of risk in it.

ATSIC should be trying to come up with better ways to provide commercial funding for enterprises. I understand that CDC is no longer interested in the small stuff; it is a big commercial operation. In some ways, because it is a large commercial lender now, not a small commercial lender, Aboriginal people do not have anywhere to go to access funds other than through mining companies, if the goodwill is there, or they have to apply through some other means.

Mr WAKELIN—Phil McEvoy was the Leonora-Laverton cross-cultural mentor chap.

Mr Jury—He is the manager.

Mr WAKELIN—Yes, the manager of that group. Phil was working with you on some of these issues and we met him at Laverton and at Murrin Murrin, I think.

Mr Jury—Yes. Phil is on Granny Smith’s payroll. He does a similar job to me. Of course, Granny Smith is part of the LLCCA A, which is a joint venture funded by Granny Smith, Anglo and Roche Mining. We have funded it in the past, but at the moment we tend to be targeting the funds to other issues.

Mr WAKELIN—Thank you. I was just testing the Alzheimer’s, as to whether my memory was good enough. He was, like you, very committed. I remember him as being excellent when we were there. It is a little more difficult in the environment that Murrin Murrin finds itself in or that Anaconda finds itself in. In some of the stuff it talks about the commitment from the company. You have been leaders in this with Andrew Forrest, have you not?

Mr Jury—Yes.

Mr WAKELIN—It seems to me that the difference is the commitment and the determination with which you people have embarked upon this project. What would be your view if that

commitment dropped away a little or was not as intensive? It is a painful prospect, no doubt, but it is mentioned in here; that is why I raise it. What is the view about it from industry generally? You have just had a workshop.

Mr Jury—From what I heard at the workshop, the commitment from other companies is as high as Anaconda's. Anaconda was different in the fact that the CEO was quite happy to put in the resources of a full-time person on that issue. I am extremely grateful to have had the privilege of spending two years focusing on the issue and learning a hell of a lot about it. In the light that other companies do not have the luxury of having persons such as me working that closely with the issues, those companies still have a high commitment. The fact that some of these people flew from Queensland and all over Australia to come and listen tells me that they are committed. I do not think commitment is an issue.

Mr WAKELIN—Right, thank you. Was Barry Cable a guest speaker?

Mr Jury—Absolutely.

Mr WAKELIN—Can you give us a takeaway line—two or three, whatever—on Barry Cable, his view and his approach?

Mr Jury—Barry is an amazing guy because, as you would realise, he had a tractor accident in Narrogin. Most kids my age had Haydon Button and a few of the boys up there. Barry's view is basically that whatever Anaconda is doing needs to be value added through the lower level stuff—the developmental stuff—through the schools and by working with the parents. He was quite insistent in the time he spent speaking with us that people like Anaconda should be applauded for what they do, but there is so much work that needs to be done in front of that to better prepare these people for what we do. I have to fully agree with that. If I had the resources to be able to develop school to work programs to a level I wanted, half the problems we are talking about today would not exist.

Mr WAKELIN—Thank you.

Mr LLOYD—I do not have any specific questions, but I want to put on the record how impressed I was with the program that John and Anaconda run. Obviously, having an urban electorate, I do not have the number of indigenous people in my electorate to take in that sort of program. In all the travels we have done around Australia while on this committee, I would say that the program run at Anaconda has been, to me, the most impressive employment and training program that I have ever seen. I think it is great that John has travelled here today to put on record some of the difficulties in trying to coordinate a national funding scheme. John, thank you for what you are doing and thank you for your time today.

Mr Jury—It is a pleasure.

CHAIR—John, I have listened to you with great interest. As I see it, the challenge is to try to get someone who will bring together all the agencies of governments—state, federal and local—to pick a project leader and a facilitator, then let industry know that a 'How can I help you?' type project person is available to show the pathways into the programs and then break down all the barriers.

The question I would like to ask you relates to getting the right one-stop contract signed, which is clearly an excellent idea. John, you do not mind which government finishes up in that particular project to be the one that you deal with, so long as it is one government that you deal with and that that person who works with that government is good enough to bring all the agencies into a cooperative project team. So you are asking for a flexible approach where it does not necessarily have to be a Commonwealth government heading it; where it is appropriate, in some cases, for you to have a different level of government leading the project?

Mr Jury—Absolutely. It does not matter. It is interesting that DEWRSB have set up the plate to take this on, because it is not their responsibility. This is clearly ATSIC's responsibility and it is also clearly DETYA's responsibility, yet they have not stepped up to the plate to take this on. I think it is commendable that DEWRSB has actually said, 'There is an issue here and we need to have a look at it.' It could be a state based initiative. It will always come down to the fact that someone picks up the banner off the beach and wants to run with it. It will always come down to one or two individuals somewhere in the system who are prepared to stand up and take these things for a run.

CHAIR—As an adjunct to that, having got the feel from you that that sort of concept has a lot of potential and appeal, an ingredient of that arrangement could be that all of the agencies—state, federal, local, whoever—would then pool the funding, unbundle the funding from any existing programs and allow the funding to be used for the design of that particular project in a flexible way, rather than have to have a multiseperated type program within a project with different rules and regulations. If it could be unbundled for that project with all the agencies saying, 'We agree that that fund shall be used for that purpose in that project with flexibility within the project' do you think that that has got any potential?

Mr Jury—I think there is a lot of potential in that. The thing that makes the model unstable is that you are dealing with three different agencies and three different policies and three different rules of administration. The administration rules ATSIC uses to control funding are totally different from those of the state or DEWRSB, and they will be different from DETYA's. So you are totally correct. You need to somehow come up with some sort of specific initiative funding program. Maybe RAP is the way to go, I do not know. In the case of individuals in industry who do want to step up to the plate and go for a run with something like this, you need to have the ability to respond to those people in an orderly and timely way that delivers outcomes to the government and also delivers outcomes to the industry and the people. Realistically, if you have a look, the Job Network has totally failed Aboriginal people. I am quite clear in my mind about that.

CHAIR—There is a relatively good precedent. Michael Wooldridge, the health minister, has had a great deal of success in regional community areas, small communities, in allowing the Commonwealth, which provides aged care money, and the state, which provides acute hospital type funding, to put all that money on the one table. An organisation in the local community then runs those multifaceted programs of aged care and health and community care, et cetera. The money on the table can be used by them for the best purpose, rather than being used only for aged care or for acute hospital bed care. So there is a precedent there for it if you can get the partnership going, with people trusting each other.

There is the vexed question of dealing with the local cultural problems that occur, which I think ATSI last week touched on in their own submission. They have difficulty making management changes to projects, even though they recognise there is duplication. At a local and regional level and they cannot break the local rivalries and the local political issues. I think you have touched on it in your experience. You are observing the same thing. Have you got any thoughts on how you might resolve this, except by patience and endurance and all that? Is there any model that you can think of, in broad terms?

Mr Jury—The opening statement I would make on that is that we are in about a 20-year process and we are at about year 4 to 6—somewhere in there. I think the kids who come up through the system will be much less feudalistic and tribalistic than the people who are running the arrangements now. We are seeing good signs of that. We are the first company that has actually taken six Wonguthas, four Noongars and two Yamaatjis and put them in the same training room together and actually got them to work together and get into jobs. People say, ‘You don’t do that.’ Well, guys, it’s easy. We have done that. I think the young kids are a lot smarter, and it is just a process we are in. ‘How do you expedite that process?’ is really the question you are asking. That is a tough call.

We can look at indigenous issues around Australia, at what is happening in the evolutionary process they are going through at the moment, particularly with things like the different foods that they eat now and the high levels of diabetes and kidney failure and things like that. The document I read today basically said that part of the problem is that you have a group of people who are constantly in mourning and grieving because someone is always dying. Maybe there is some truth in that.

I hear where you are coming from and I really think it is a matter of working towards reconciling some of these issues between families. You may have to just get to the bottom line and say, ‘I’m sorry, guys, we do not have eight housing associations in the goldfields anymore, we have two.’ Or bring it down to four, or bring it down to six. You say, ‘You guys have to learn to get on with each other.’ We have done that. We have bitten the bullet in the past and told people. People come to us from different family groups and say, ‘We want to get into a contract.’ I do not have 100 contracts to give out. I have maybe five or 10. I say, ‘Fine. But if you want to get into the contract, you have got to learn to get on with this mob here because they want their contract too.’ They say, ‘Oh, no, we cannot do that.’ I say, ‘Guys, I am not doing anything until you work out who I am talking to and who I am dealing with, because I am not having 100 contracts.’

So in some ways I think it is going to come down to hardball stuff but not in a way that makes it impossible to move forward. It is a matter of actually putting the onus back on them and saying, ‘Look, this is the issue and it needs to be resolved.’ In my experience, a lot of the time they will actually come up with a resolution amongst themselves. You do not have the right to interfere in that process, and that process may take a lot longer than it would between you and I. You have to understand that they will take away information and discuss it amongst themselves and then bring it back. At the end of the day, I think you need to start looking at revising some guidelines. That would be the way I would do it.

CHAIR—That is a great insight; I appreciate that. Are there any other questions?

Mr HAASE—You have just said a big mouthful, John. I am sure it meant something like, ‘We are giving too many alternatives and pussyfooting around too much for the good of indigenous people today in work opportunities.’ I agree with you wholeheartedly. Before we close, because of an incident on our last visit, when Sadie Canning had that dreadful fall, I want to remind the chair that we wish to send our best wishes to Sadie. I know that she has recovered. We wish her continued good health.

Mr Jury—She is doing very well at the moment.

CHAIR—John, would mind conveying on a personal level our best wishes to Sadie and our appreciation for the role which she plays in the community? We hope to meet again with her. Before we leave the table, I echo the comments made by my colleagues wishing you well in your endeavours. I think that what you have done and what you are trying to do is something that is worthy of acknowledgment and encouragement. I think you can look forward to the committee handing down some recommendations that we hope will give support to you and to people like you in industry and in the community. I wish you a safe trip home and look forward to meeting you again.

Resolved (on motion by **Mr Wakelin**, seconded by **Mr Lloyd**):

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

Committee adjourned at 5.25 p.m.