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CAPACITY BUILDING INQUIRY Submission No. 27

**SUBMISSION
TO THE
HOUSE OF REPRESENTATIVES STANDING COMMITTEE
ON
ABORIGINAL AND TORRES STRAIT ISLANDER AFFAIRS
INQUIRY INTO
CAPACITY BUILDING IN INDIGENOUS COMMUNITIES**

13 SEPTEMBER 2002

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1. Executive Summary

The Faculty of Aboriginal and Torres Strait Islander Studies and its research arm, the Centre for Indigenous Natural and Cultural Resource Management have been involved for a number of years in teaching and research that go towards building the capacity of Indigenous peoples and communities particularly in the Top End of Australia. More recently, the Faculty has concentrated its efforts on Indigenous governance and capacity building. From its experiences in these areas, along with the paucity of literature and research outcomes on Indigenous capacity building and governance, and the current national emphasis on these areas, this Faculty recommends a *National Centre of Excellence in Indigenous Governance and Capacity Building*. Such a Centre could co-ordinate teaching, training and research into issues relating to Indigenous governance and capacity building and could also act as both a national and international clearing-house in all matters relating to these areas where they impact on Indigenous peoples globally.

This submission has been prepared by three Indigenous staff members of the Faculty and it includes an overview of the social and political context of Indigenous disadvantage as well as

an examination of the concepts of 'capacity building', 'Indigenous governance' and 'community development'. This submission proposes how these concepts may be relevant to the situation of Indigenous Australians.

The Faculty has concerns that the Inquiry's focus is too narrow as it seems to be limited to examining issues related to the delivery of mainstream citizenship-type services and programs to Indigenous communities and how such service delivery in terms of outcomes and expenditure is accountable to governments. It is argued that that the whole issue of accountability to Governments gives rise to the perception that Indigenous peoples are 'innately deficient, or incapable or somehow lacking and therefore require capacity building in order to be accountable to governments'. The irony is that some commentators have claimed that it is in fact government service delivery methods that contribute to passive welfare dependency by Indigenous peoples.

It is argued that better forms of service delivery with an Indigenous role, will not in itself reduce disadvantage. There is a need to understand the causes of Indigenous disadvantage if real and innovative solutions are to be found. The failure to reduce Indigenous disadvantage needs to be understood in the context of the failure of conventional service delivery models including the failure to deliver an adequate level of service, and the public perceptions of Indigenous disadvantage. The lack of transparency and accountability for expenditure of public monies by State and Territory Governments to service the needs of the Indigenous population is also a relevant factor of service delivery failure.

The inadequacy of intergovernmental arrangements and the inadequacy of funding arrangements to address the backlog of infrastructure deficiencies in Indigenous communities or address the relative disadvantage of Indigenous people to the non-Indigenous population are also relevant. It is also possible that public perceptions of Indigenous disadvantage have influenced the political and policy approaches of Governments due to myths espoused in the wider community that it is Indigenous behavior, lifestyle and culture that contribute to Indigenous disadvantage and the perception that special funding measures are discriminatory.

The term 'capacity building' is a new buzzword in Indigenous affairs and its meanings vary according to different agencies and governments. It is argued in this submission that, capacity building it is about developmental processes to increase the potential and the capabilities of Indigenous peoples; that builds or strengthen Indigenous social and cultural institutions; and is linked to interventions that improve social and cultural, economic, environmental and political aspects of Indigenous life.

This submission also considers research in the United States in regards to Indian tribes, which indicates there are some key factors to successful Indigenous models of development. They are: sovereignty (self-rule and control over decision making); effective and capable governing institutions, governing institutions that culturally match Indian culture, effective development strategies, and leadership that serves the interest of the Indian nation. This approach to development is referred to as 'nation-building'. Such an approach is relevant to the situation of Indigenous Australians and accords with Indigenous aspirations. However, it appears in the ongoing public and political debate regarding Indigenous rights and disadvantage, the views and aspirations of Indigenous peoples have very little relevance to, or impact on, the political and policy direction of Governments. Therefore, it could be argued that capacity building amounts to approaches that are top down, established to serve the

agenda of governments, which imposes non-Indigenous ideas and structures over Indigenous peoples.

It is the responsibility of Australian governments to create the environment and the conditions for human and community development within Indigenous communities. Governments must be facilitative and enabling rather than controlling. They must also be honest, efficient, effective, transparent and responsive to the needs of Indigenous peoples. What is required is developmental processes to assist Indigenous communities define and implement their own 'development' agenda. The existing conventional service delivery approaches by government have failed to produce sustainable long term benefits to Indigenous communities because service delivery approaches are devoid of developmental philosophy and methods.

Development interventions are more about facilitating resourcefulness; assisting people gain better control over their own future and finding solutions to social, economic and political marginalisation. However, community capacity building requires long-term sustainable commitment and this includes resources, particularly adequate financial resources and physical infrastructure. Research suggests that for Indigenous communities to receive greater levels of entitlement to financial resources, Indigenous community organisations must perform functions of governance and become part of the Australian fiscal and governmental framework.

Research, education and training are key components of capacity building and in that regard the Faculty of Aboriginal and Torres Strait Islander Studies has a role in building sustainable communities through partnerships and collaborative efforts with local community organisations or groups. Research indicates that sustainable human and economic development must occur locally, is planned and actioned locally, where technical assistance is delivered collaboratively with Indigenous organisations, and Indigenous knowledge is incorporated into the development process. The Faculty is examining how it can contribute to sustainable outcomes in Indigenous communities through governance and capacity building processes, particularly offering governance courses in conjunction with its land and resource management courses.

Finally, this submission responds to the questions raised in the information pamphlet. In that regard the Faculty comments are as follows:

- There needs to be a focus on strengthening all forms of leadership, not just corporate leadership, especially social entrepreneurial leadership and leadership that has its basis in Indigenous law, custom and tradition.
- Indigenous organisations must have legitimate authority from the community and such authority must accord with custom and tradition.
- Indigenous governing organisations must allow for greater local participation and control over community and social development.
- Both the Indigenous leadership and non-Indigenous employees must have leadership, management, and administration skills as well as community development training or experience.
- Indigenous community members must acquire skills so that they are employable, particularly numeracy and literacy, management, administration, governance and land management skills.
- Indigenous partners must have equal standing in any partnership with Governments; otherwise Governments will dominate the Indigenous partner.

- **Strong community or regional Indigenous governance organisations are required to articulate the community's development agenda and to coordinate State/Territory and Federal Government agencies.**

2. Recommendations

1. There is a need for a *National Centre of Excellence in Indigenous Governance and Capacity Building*. Such a Centre could co-ordinate teaching, training and research into issues relating to Indigenous governance and capacity building and could also act as both a national and international clearing-house in all matters relating to these areas where they impact on Indigenous peoples globally.
2. This Inquiry needs to develop an understanding of the characteristics and causes of Indigenous disadvantage if innovative solutions are to be found and also be aware that there are forms and dimensions of Indigenous disadvantage that cannot be addressed by effective, efficient and accountable service delivery.
3. The question as to why current service delivery does not adequately address the long-term disadvantage of Indigenous peoples has to be examined in detail and Government priority has to be reducing inequality between Indigenous and non-Indigenous peoples.
4. There is a need for an examination of why there is a lack of accountability and transparency in funding and service delivery arrangements in redressing Indigenous disadvantage; and why there is a lack of clear and enforceable agreements between State/Territory and Federal Governments in respect to their responsibilities.
5. The issues of inadequacy of the intergovernmental arrangements and inadequacy of funding arrangements to address the backlog of infrastructure deficiencies in Indigenous communities need to be addressed in this Inquiry.
6. The question of whether public perceptions of Indigenous disadvantage have influenced the political and policy approaches by Governments in respect to Indigenous funding and service delivery should be addressed in this Inquiry.
7. The question of whether public victim blaming has had the effect of building further resistance within the Australian population against any serious efforts to tackle the issues of Indigenous disadvantage is an issue that should be addressed in this Inquiry.
8. That there be a clear definition of the term 'capacity building' and a clear statement on whether this form of capacity building devolves responsibility and authority to Indigenous organisations and communities.
9. That there be a clear statement as to whether the notion of capacity building as espoused by Governments and their agencies accords with Indigenous development aspirations particularly in regards to community control and self-determination.
10. The core characteristics of good governance apply to the Federal, State and Territory Governments and their respective agencies in relation to the delivery of programs and services to Indigenous peoples and in their dealings with Indigenous communities and organisations. This Inquiry should make recommendations accordingly.
11. The role of Governments (and their agencies), civil society and the private sector in building and strengthening Indigenous capacity and addressing Indigenous

disadvantage should be addressed by this Inquiry and recommendations made accordingly.

12. That there be a clear definition of the term 'governance' and a clear statement on whether such governance devolves jurisdictional authority and control over funding to Indigenous organisations.
13. The key factors for successful development as identified by the *Harvard Project on American Indian Economic Development* are relevant to development issues in Indigenous Australian communities and should be taken into consideration by the Inquiry. These factors include:
 - self-rule and control over decision making;
 - effective governing institutions;
 - institutions culturally matched with Indigenous culture;
 - strategic goals and leadership that serves the interests of the community.
14. State/Territory and the Federal Governments and their agencies should facilitate and support processes to:
 - (a) build or strengthen the capabilities of Indigenous people to take responsibility for, and develop, effective strategies for dealing with social, political, economic, environmental and cultural issues;
 - (b) build or strengthen effective Indigenous governing institutions to deliver services and manage and control over other aspects of governance authority;
 - (c) devolve jurisdictional authority and decision making to Indigenous organisations;
 - (d) recognise, respect and accommodate Indigenous culture and tradition, including Indigenous authority;
 - (e) develop mechanisms to ensure Government accountability and transparency;
 - (f) create an environment in which Indigenous people are willing to participate in community life;
 - (g) create national goals and a national consensus in regards to tackling Indigenous social and economic problems;
 - (h) create an enabling environment for Indigenous human, governance and economic development.
15. The State/Territory and Federal Governments and their agencies are responsible for creating the environment and the conditions for sustained human and community development within Indigenous communities. The Inquiry should make recommendations in this regard, particularly in relation to what this might involve.
16. That there be a clear statement about (a) the reasons why the Federal Government is moving towards Indigenous delivery of government services, (b) whether adequate resources will be provided to support such processes and (c) whether service delivery will be directly linked with other aspects of Indigenous life (such as human development, social development, local employment and economic development and ownership of land and control over natural and cultural resources).
17. Governments and their agencies should accommodate developmental approaches within their policies, program, planning and service delivery methods and support and facilitate processes to enable Indigenous communities to define and implement their own 'development' agenda.

18. Indigenous communities and organisations need to maintain a level of autonomy from governments in respect to funding arrangements and the delivery of services. They should not become another arm of government or deliver services at the discretion and direction of governments.
19. There should be long-term sustainable commitments from governments particularly in regards to financial resources to undertake, or support community capacity building processes.
20. That the role of research and training in community capacity building processes must be recognised and that Indigenous communities have the opportunity and resources to receive research and training support.
21. Governments and their agencies need to move from a conventional service delivery approach to a developmental or capacity building approach and in doing so must acquire the necessary research and training skills.
22. There needs to be a major focus on community based research, education and training particularly in relation to connecting training and education to conceptions of work and employment.
23. Education and training need to move away from conventional service delivery methods to models where curriculum and training outcomes are negotiated with Indigenous communities and where Indigenous knowledge and experience is incorporated into the curriculum.
24. There must be a focus on partnership building with Indigenous communities and adequate levels of funding be provided for human resources and community based research, education and training processes.
25. Strengthening or building community leadership should not only involve improving corporate leadership, but also extend to developing social entrepreneurial leadership and importantly strengthening leadership that has its basis in Indigenous law, custom and tradition.
26. Indigenous community leaders and non-Indigenous employees or employees from outside the community must have the requisite skills to be able to manage a community organisation as well as support and facilitate community development and capacity building processes.
27. Assistance should be provided to community organisations to enable them to employ better and competent staff. Such staff must have good leadership, management, and administration skills but most importantly they must have training, skills or experience in community development or capacity building.
28. There must be capacity building processes to assist communities design and develop new governance organisations and such organisations be based on Indigenous values and practices.

29. Given the trend towards regional governance structures, regional governance organisations must incorporate mechanisms to allow local control over community and social development. It must also enable broad representation of all sub-groups, protect the rights and interests of the constituent groups and actively facilitate capacity building processes with its constituents as well as actively develop knowledge and improve the skills of governing committee members and Indigenous staff.
30. Indigenous community residents and governing committee members require skills that will make them employable, particularly skills training in the area of:
- (a) communication, team work, problem solving, self-management, planning and organising, technology use, learning, and initiative and enterprise;
 - (b) literacy and numeracy;
 - (c) management, administration and corporate governance;
 - (d) land management.
31. Collaborative partnerships between Indigenous organisations or communities and governments or their agencies must be on equal footing. The Indigenous partner must have authority, control of funding, and adequate support and resources to discharge its functions, challenge the other partner (if necessary) and to obtain independent information and advice.
32. There must be strong (having jurisdictional authority) and well resourced local or regional Indigenous organisations to articulate the community development agenda and coordinate governments and their agencies to ensure that appropriate and adequate level of funding and service delivery are provided and that there is a holistic approach to social and economic development.

3. Introduction

This submission has been prepared by the Faculty of Aboriginal and Torres Strait Islander Studies (The Faculty) at the Northern Territory University.

This submission examines the notion of community capacity building in the context of Indigenous disadvantage and considers some of the issues that might be required to improve the social and economic situation of Indigenous peoples.

This submission provides the following:

1. An overview of the social and political context of Indigenous disadvantage;
2. An examination of the concepts of 'capacity building', 'governance' and 'community development'
3. An examination of whether these concepts are relevant or appropriate to the situation of Indigenous peoples.
4. An overview of the Faculty's experience in governance and capacity building in the area of research and training.

The Faculty believes that research and education are key components of capacity building and in that regard the Faculty has many years of experience working in a facilitative and educational role with Indigenous communities.

The Faculty of Aboriginal and Torres Strait Islander Studies comprises:

- The Centre for Indigenous Natural and Cultural Resource Management (CINCRM);
- The School of Resource Management;
- The School of General Studies;
- The Indigenous Student Support Centre.

The two schools offer both higher education and vocational educational training. The Faculty works with Indigenous communities in production and sharing of Indigenous knowledge, and ensuring that Indigenous protocols are recognised.

The Faculty offers courses ranging from early literacy and numeracy through to higher education and graduate/postgraduate programs. The Faculty also provides TAFE level courses in land management and resource management to students in remote communities such as: Nhulunbuy, Yirrkala, Ramingining/Murwangi, Maningrida, Warruwi, Minjilang, Gunbalanya, Gulin Gulin, Weemoll, Timber Creek, Kybrook Farm (Pine Creek) and Acacia Larrakia. Unfortunately, the Faculty has not been able to deliver more training to other remote communities due to lack of funding.

Recently, the Faculty's focus has been on governance and capacity building in research and training and is currently developing a stream on governance in its courses from TAFE to undergraduate level.

The Centre for Indigenous Natural and Cultural Resource Management (CINCRM) was established in 1997 under the Commonwealth Government Indigenous Higher Education Centres Program. CINCRM is the research arm of the Faculty and is committed to research activities that advance the process of empowerment and self-determination for Indigenous

peoples. CINCRM supports research, which have social, cultural or economic benefits for Indigenous people. It embraces Indigenous knowledge, skills and understandings while respecting both Indigenous and western intellectual traditions.

4. The Focus of the Inquiry

According to the information pamphlet for this Inquiry, the committee is "holding an inquiry into ways of building the capacity of Aboriginals and Torres Strait Islanders to better manage the delivery of services to their communities at the local and regional level". The Inquiry is examining how government programs and services can be delivered to Indigenous communities by Indigenous organisations in ways that are effective, efficient and accountable. Effective service delivery organisations are seen as the means for improving communities. It is clear that the focus of the Inquiry is primarily focused on service delivery and accountability. That is, the delivery of mainstream citizenship-type services and programs to Indigenous communities and how such service delivery is accountable in terms of outcomes and financial accountability to government.

It would appear that the terms of reference of the Inquiry are narrow in that they confine capacity building to ensuring organisational service delivery capacity and ensuring those organisations are accountable to government, but not necessarily to the Indigenous community. It is also suggested that some Indigenous commentators view this approach (to 'capacity building' and 'service delivery') as engendering distrust in Indigenous communities because there is a perception that Indigenous people are 'innately deficient, or incapable, or somehow lacking' and therefore, require capacity building in order to be accountable to governments (Ah Mat, September 2001, 4). Further, there is some irony in regards to the focus of capacity building in government service delivery, as some Indigenous commentators have claimed that it is government service delivery methods that contribute to passive welfare dependency (Pearson March 2002, 4). This is due to the fact that responsibility, expertise and initiative remains with the bureaucracy and is not devolved to individuals, families and communities (Ah Mat, September 2001, 5).

The focus of the terms of reference of this inquiry to government service delivery impedes what could be a far reaching and innovative inquiry into Indigenous affairs policies and practices, particularly in relation to issues of Indigenous governance and development. For example, two recent Indigenous forums in the Northern Territory, in which Faculty staff were involved, raised important issues relevant to this Inquiry but are outside of the scope of the Inquiry. At a recent *Indigenous Ranger Conference* held in Kakadu National Park (August 2002) Indigenous Rangers expressed views about the lack of real power (jurisdictional authority) to take responsibility for land and resource management matters, and lack of enforcement powers in that regard. Statements from the recent *Garma* (13-17 August 2002) education forum on *Indigenous People and the Environment* reflected Indigenous (Yolngu) views about Indigenous governance, environmental management and the need to redefine power and authority.

5. The Social and Political Context of Indigenous Disadvantage

The Inquiry information pamphlet suggests that efforts to reduce Indigenous disadvantage are more likely to be successful if Indigenous people play a central role in the design and

delivery of government services. This is not a new revelation but it is certainly a start towards addressing Indigenous disadvantage. However, it should be noted that better *forms of service delivery will not, themselves reduce disadvantage*. There are a number of reasons for this. Firstly, the characteristics and causes of Indigenous disadvantage need to be understood if real and innovative solutions are to be found. Secondly, continuing Indigenous disadvantage needs to be understood in the context of the inadequacy of conventional service delivery including failure to deliver an adequate level of service to Indigenous peoples.

Indigenous disadvantage is the product of inequality. Inequality exists in many forms, including discrimination, unequal access to basic human services, power, wealth, income and employment (Yencken and Porter 2001, 38). Disadvantage has many forms and dimensions and can include matters arising from the history of dispossession and loss of self-determination (Council for Aboriginal Reconciliation 1994, 1), overcrowded housing, poor health, lack of access to land and the high levels of arrest and victimisation of Indigenous people (Hunter 1999). *The alienation and exclusion of Indigenous people from education and training* (Schwab & Sutherland 2001, 5) is also relevant.

The causes or explanations of the current social and economic situation of Indigenous peoples have been discussed at length. In 1991, the *Royal Commission into Aboriginal Deaths in Custody* examined in detail issues of Indigenous poverty, inequality, and disadvantage in health, housing, education, employment and income and made recommendations about reducing and eliminating disadvantage (Johnston 1991, Volumes 2 & 4). Historical and continuing factors have largely influenced the social and economic position of Indigenous peoples in Australian society. Dispossession is regarded as the core of Indigenous disadvantage because it has denied Indigenous rights to natural and cultural resources and has supplanted Indigenous control over those resources with non-Indigenous legal and administrative control. It has also had a devastating spiritual and psychological impact on people (Council for Aboriginal Reconciliation 1994, 13-18). Dispossession and the domination of Indigenous people by the dominant society are regarded as major underlying causes of disadvantage.

The continuing causes of disadvantage include such matters as:

- exclusion from citizenship entitlements;
- the attractiveness of social security;
- the remote locations of communities;
- the economic burden of raising a large young population (Altman 2000, 8-11).

Other continuing causes are:

- the intergenerational impact of exclusion and control;
- exclusion from social and economic opportunities;
- the lack of success of special programs to overcome disadvantage;
- how the history of control and exclusion has strongly influenced Indigenous people's relationship to mainstream society and economy (Council for Aboriginal Reconciliation 1994, 19-24).

At the same time however, some commentators have argued that contemporary problems or issues, including Indigenous culture, contribute to continuing disadvantage. Welfare dependency, substance abuse epidemics and violence, have caused much destruction and dysfunction in Indigenous communities (Pearson, 2000, 136-154; October 2001). These factors are major barriers to improving the social and economic position of Indigenous

peoples. However, it is argued that welfare dependency is one factor in a range of factors that cause community dysfunction. Other commentators have argued that Indigenous rights and self-determination are the impediments to advancement, and that the denial of the need for cultural change and cultural factors are obstacles to social and economic development (Johns 2001: Sutton 2001). The latter views appear to be based on notions of assimilation and deny Indigenous people the right to pursue their own development.

Indigenous people can rightly feel aggrieved about the intractable nature of their social and economic position because it is apparent that past and present Government policies and programs have largely failed. Some major failures have become apparent in Indigenous education and health. The Aboriginal and Torres Strait Islander Commission (ATSIC) has pointed to the lack of accountability of the States and Territories in terms of funding and service delivery to Indigenous people as a major reason for service delivery failure. State and Territory agencies have no legal obligation to take responsibility for service provision to Indigenous peoples or addressing longstanding inequities (ATSIC 2000, 11-12). There is also a lack of clear and enforceable agreements between State and the Federal governments in respect to their responsibilities. There are no adequate performance targets, benchmarks and mechanisms to ensure Government accountability and transparency in funding and service delivery arrangements (Aboriginal and Torres Strait Islander Social Justice Commissioner 2000, 89-91).

The failure of Government service delivery has a lot to do with the lack of transparency and accountability for expenditure of public monies by State and Territory Governments to service the needs of the Indigenous population. It also has a lot to do with the inadequacy of intergovernmental arrangements and the inadequacy of funding arrangements to address the backlog of infrastructure deficiencies in Indigenous communities. These issues were raised in a recent draft report on Indigenous funding released in October 2000 by the *Commonwealth Grants Commission* (CGC). The CGC made some statements about the inadequacy of the intergovernmental arrangements in addressing Indigenous disadvantage and stated that the existing inter-governmental arrangements do not:

- (i) acknowledge and adequately address long term disadvantage;
- (ii) help build long-term capacity of Indigenous communities to plan and manage services;
- (iii) encourage Indigenous participation, priority setting and decision-making; or
- (iv) deal effectively with non-funding issues such as co-ordination, fragmentation and cross-functional issues (Commonwealth Grants Commission 2000, 53).

The CGC also explored other alternatives to the current funding arrangements and the development of new regional arrangements.

The CGC's examination of intergovernmental arrangements and new regional arrangements were omitted from the final report. This was due to the Federal Government's belief that the CGC had exceeded from its terms of reference (Department of Prime Minister and Cabinet 2000). However, in its final report the CGC commented that while a focus on policies and approaches to support the economic and financial development of Indigenous people was outside the scope of their inquiry, it is an essential adjunct to the on-going provision of services, and the essential building block for equity.

The CGC identified some key areas for action aimed at reducing Indigenous disadvantage including:

- the establishment of funding arrangements that reflect the long term and wide ranging nature of Indigenous needs;
- establishing a defined role for Indigenous people in making decisions on allocation of funds and service delivery; and
- building the capacity of local Indigenous organizations to manage service delivery (Commonwealth Grants Commission 2001, 90).

It is suggested that public perceptions of Indigenous disadvantage may have influenced the political and policy approaches of governments. Issues of social injustice and inequity are not well understood by the dominant population. Research by the *Council for Aboriginal Reconciliation* found that Indigenous people are not perceived as victims of social injustice and inequity because there is a public view that large amounts of public money are put into programs and services directed at Indigenous people. The general public response has been to blame these problems on Indigenous behavior or lifestyle and to perceive special funding measures as discriminatory. There is little understanding of the need for proactive funding of Indigenous programs (Johnson & Sweeney 1996, 8).

Victim blaming is not helpful or constructive when dealing with issues of disadvantage because the outcome may build further resistance within the Australian population against any serious and concerted efforts by Indigenous communities and Governments to tackle Indigenous disadvantage in the future. Victim blaming ignores the broader societal, institutional and structural aspects that cause disadvantage. While changes are required by Indigenous people at the individual and organisational level to address disadvantage, unless changes are made to the basic structures of society that create and perpetuate inequality and inequity, any capacity building or social justice strategy will have limited value.

5.1 Recommendations:

1. There is a need for a *National Centre of Excellence in Indigenous Governance and Capacity Building*. Such a Centre could co-ordinate teaching, training and research into issues relating to Indigenous governance and capacity building and could also act as both a national and international clearing house in all matters relating to these areas where they impact on Indigenous peoples globally.
2. This Inquiry needs to develop an understanding of the characteristics and causes of Indigenous disadvantage if innovative solutions are to be found and also be aware that there are forms and dimensions of Indigenous disadvantage that cannot be addressed by effective, efficient and accountable service delivery.
3. The question as to why current service delivery does not adequately address the long-term disadvantage of Indigenous peoples has to be examined in detail and Government priority has to be reducing inequality between Indigenous and non-Indigenous peoples.
4. There is a need for an examination of why there is a lack of accountability and transparency in funding and service delivery arrangements in redressing Indigenous disadvantage; and why there is a lack of clear and enforceable

agreements between States/Territory and Federal Government in respect to their responsibilities.

5. The issues of inadequacy of the intergovernmental arrangements and inadequacy of funding arrangements to address the backlog of infrastructure deficiencies in Indigenous communities need to be addressed in this Inquiry.
6. The question of whether public perceptions of Indigenous disadvantage have influenced the political and policy approaches by Governments in respect to Indigenous funding and service delivery should be addressed in this Inquiry.
7. The question of whether public victim blaming has had the effect of building further resistance within the Australian population against any serious efforts to tackle the issues of Indigenous disadvantage is an issue that should be addressed in this Inquiry.

6. Capacity Building – Human and Governance Development

The term 'capacity building' is in popular use in Indigenous affairs, although the term is part of the language and organisational role of overseas aid organisations in developing countries. The United Nations Development Programme (UNDP) and other international development agencies are now moving away from the conventional or traditional donor-driven, expert-led role to a facilitative and partnering role to strengthen the human and institutional capacity of less industrialized countries, (O'Shaughnessy 1999, 9). The emphasis is now on facilitating, in which advocacy, networking, training, technical support and monitoring are emphasised and donor management de-emphasised (UNDP 1997, 12). This method of development is termed 'capacity building' or 'capacity development'. The failure of the conventional resource delivery approach, the new policy agenda of OECD countries and the World Bank and national and global factors such as globalization are but some factors why international development agencies are moving to a capacity building approach (UNPD 1997, 1-2: O'Shaughnessy 1999 15-16).

There are different understandings and approaches to capacity building (or capacity development). The World Bank's approach is focused on human development, restructuring organisations and political leadership to nurture organisations. The United Nations Development Programme (UNDP) focuses on capacity building for sustainable human development, improving the individual and organisational capacity of people to undertake functions and achieve objectives. Oxfam's approach is more community development, an action learning approach to assist people identify their priorities and to organize to achieve them. World Vision focuses on families, community and community leaders to improve leadership and empowerment and promote self-reliance and self-sufficiency (O'Shaughnessy 1999, 5-8).

According to the UNDP, capacity development empowers people to realise their potential and better use their capabilities, and assures ownership and sustainability of development programs. Capacity development goes beyond training or systems and structural improvements of formal organisations. It implies a society based approach, building consensus around national goals and programs, using existing capacities, focusing on people and incorporating characteristics of good governance, while taking the larger policy-related

enabling environment into account and placing technical cooperation and official development assistance in a supportive role (UNDP 1997, 12-13).

The international literature on capacity building focuses on improving sustainability of individuals, families, community, and organisational and societal capacities in developing countries. In many respects this approach to capacity building is relevant to the situation of Indigenous peoples in Australia because:

- although Australia is ranked highly as a developed country, the Indigenous population has life expectancies similar, or even worse, to many developing countries;
- Capacity building is a holistic approach (as opposed to one dimensional service delivery) and capacity building enables individuals, families and organisations to have an active role in the process, rather than be passive recipients of services.
- Capacity building interventions are directed towards human (individual, family and community) and organisational (family, community, corporate and government) development.
- Capacity building is an approach that involves government, the private sector and civil society organisations (Australian Governments and the broader Australian society have a responsibility to address Indigenous disadvantage).

The primary means to achieve sustainable human development according to the UNDP is good governance. Good governance is where "public resources and problems are managed effectively, efficiently and in response to the critical needs of society". Such governance relies on public participation, accountability and transparency. Governance includes the state (political and governmental institutions), civil society and the private sector (UNDP January 1997, 1-10). There are lessons for Australia in these approaches to capacity building and good governance. Governments, civil society and the private sector have a role in addressing Indigenous disadvantage by facilitating processes and directing resources towards addressing critical issues and problems including developing or strengthening the capabilities of Indigenous peoples and the capacities of Indigenous organisations.

The notion of capacity building must accord with Indigenous views and aspirations of Indigenous control and self-determination. In this regard, a much broader developmental approach is required in relation to Indigenous development aspirations because the conventional service delivery approach has failed to produce long-term sustainable benefits to communities. Capacity building must not only increase the existing capabilities of people (human development) and build or strengthen both corporate and cultural organisations (organisational development) but must also be linked with initiatives and interventions that improve other aspects of Indigenous life, such as social and cultural, economic, environmental and political development. Capacity building processes must assist Indigenous communities define their own 'development' and assist those communities to implement strategies that accord with their knowledge, culture and tradition and which recognises and protects Indigenous rights.

In the United States effective governance is regarded as the means to promote the economic, political and social well being of Native American peoples. As is the situation in Australia, problems of poverty and its related social consequences are severe among Native Americans on reservations. Unemployment is high and on many reservations the economy subsists overwhelmingly on governmental transfer payments. However, there are a number of Indian reservations that are sustaining growing economies and breaking the cycle of dependence on federal programs. Research by the *Harvard Project on American Indian Economic*

Development (Harvard Project) indicates that successful tribes have some common ingredients. These are: sovereignty; capable governing institutions; cultural match between the tribal government and cultural institutions; and effective development strategies (Kalt 1996, 1-3; Cornell & Kalt 1995).

The personnel involved in the Harvard Project are of the opinion that the challenge for Indian tribes for the future is to design effective, culturally appropriate governing institutions and to implement informed economic and social decisions. In their view there are two aspects to doing this. First, tribes must have the ability to govern effectively and second, successful 'development' requires effective self-governance. This approach to development is referred to as 'nation-building' which is the creation of an environment in which both economic development and human development flourishes. Nation-building focuses on laying sound institutional foundations, strategic thinking and informed action (Cornell and Kalt 1998, 5-9).

Nation building equips Indian nations with the institutional foundations that will increase their capacity to effectively assert self-governing powers in relation to their own economic, social and cultural objectives. The Harvard Project research points to key factors to successful economic development. These are: sovereignty (self-rule and control over decision making); effective governing institutions, institutions culturally matched with Indian culture; strategic thinking and leadership that serves the interests of Indian nations (Cornell 2002 (a) & Cornell 2002 (b)).

Although Indian tribes have a level of sovereignty that is not recognised for Indigenous peoples in Australia, the Harvard Project nation building approach has relevance to Indigenous Australians. The nation building approach focuses on building capable governing institutions to exercise authority and power and to build successful community economies as the means to building stronger Indigenous societies. Similarly, the UNDP sustainable human development and governance approach is also relevant because it focuses on increasing the capabilities of people and building good governance to meet the critical needs of society, particularly those disadvantaged in society. This approach to sustainable development is lacking in Australian Indigenous affairs policies, programs and practices.

In the Australian context, the terms 'capacity building' and 'governance' are being used in relation to issues of Indigenous disadvantage, welfare reform and Indigenous funding. But the meaning of the terms varies among individuals, organisations and governments. Certainly government institutions are using these terms more often, but it remains to be seen whether government views about 'capacity building' and 'governance' accord with Indigenous views and aspirations. The ongoing public debate about Indigenous rights and disadvantage also seems to indicate that Indigenous views and aspirations have very little relevance to, or impact on, the political and policy direction of governments. The fear is that Australian government perceptions of capacity building and governance may in fact amount to no more than a continuation of existing programs and service delivery methods under new rhetorical language (capacity building and governance).

There are similar international experiences in regard to capacity building. In some instances, capacity building can mean more of the same top down approach, where the concept is applied to serve the agenda of external agents of development as well as impose western (or other dominant nationalists) notions of development (O'Shaughnessy 1991, 12-13). Howitt (2001, 158) argues what is being built is people's capacity to conform to 'rationalist development narratives' and this building is based on the demolition or rejection of existing

capacities. Conceivably, in Australia capacity building and governance approaches could end up being top down, established to serve the agenda of others (particularly governments), and the imposition of non-Indigenous ideas and structures over Indigenous people.

The issue of how to deal with Indigenous disadvantage has received a lot of attention however; efforts in dealing with disadvantage have been insufficient, ineffective and unsustainable. Clearly, past and present policies and programs, particularly the conventional government planning, management and service delivery approach has failed and will continue to fail because policies, programs and practices have failed to:

- increase or strengthen the capabilities of Indigenous people to take responsibility for, and develop, effective strategies for dealing with social, political, economic, environmental and cultural issues;
- build or strengthen effective Indigenous governing institutions to deliver services and manage and control other aspects of governance;
- devolve jurisdictional authority and decision making to Indigenous peoples;
- recognise, respect and accommodate Indigenous authority;
- develop mechanisms to ensure Government accountability and transparency;
- create an environment in which Indigenous peoples are willing to participate in community life;
- create national goals and a national consensus in regards to tackling Indigenous social and economic problems;
- Create an enabling environment for Indigenous human, governance and economic development.

6.1 Recommendations:

8. That there be a clear definition of the term 'capacity building' and a clear statement on whether this form of capacity building devolves responsibility and authority to Indigenous organisations and communities.
9. That there be a clear statement as to whether the notion of capacity building as espoused by Governments and their agencies accords with Indigenous development aspirations particularly in regards to community control and self-determination.
10. The core characteristics of good governance apply to the Federal, State and Territory Governments and their respective agencies in relation to the delivery of program and services to Indigenous peoples and in their dealings with Indigenous communities and organisations. This Inquiry should make recommendations accordingly.
11. The role of Governments (and their agencies), civil society and the private sector in building and strengthening Indigenous capacity and addressing Indigenous disadvantage should be addressed by this Inquiry and recommendations made accordingly.
12. That there be a clear definition of the term 'governance' and a clear statement on whether such governance devolves jurisdictional authority and control over funding to Indigenous organisations.

13. The key factors for successful development as identified by the *Harvard Project on American Indian Economic Development* are relevant to development issues in Indigenous Australian communities and should be taken into considered by the Inquiry. These factor include:
- self-rule and control over decision making;
 - effective governing institutions;
 - institutions culturally matched with Indigenous culture;
 - strategic goals and leadership that serves the interests of the community.
14. State/Territory and the Federal Governments and their agencies should facilitate and support processes to:
- (a) build or strengthen the capabilities of Indigenous people to take responsibility for, and develop, effective strategies for dealing with social, political, economic, environmental and cultural issues;
 - (b) build or strengthen effective Indigenous governing institutions to deliver services and manage and control over other aspects of governance authority;
 - (c) devolve jurisdictional authority and decision making to Indigenous organisations;
 - (d) recognise, respect and accommodate Indigenous culture and tradition, including Indigenous authority;
 - (e) develop mechanisms to ensure Government accountability and transparency;
 - (f) create an environment in which Indigenous people are willing to participate in community life;
 - (g) create national goals and a national consensus in regards to tackling Indigenous social and economic problems;
 - (h) create an enabling environment for Indigenous human, governance and economic development.

7. Community Development and Community Capacity

Australian governments must create the environment and the conditions for human and community development within Indigenous communities. Governments must provide a facilitative and enabling role, as opposed to being controlling. Governments must also be honest, efficient, effective, transparent and responsive to the needs of Indigenous peoples. This Inquiry is considering how services can be better delivered to Indigenous communities and the capacity required to deliver such services. It is unfortunate that after numerous reports and initiatives by Indigenous people (such as community controlled health and legal services) there is now some recognition that service delivery is more likely to be successful if Indigenous communities control and strongly influence funding priorities and service delivery. The next obvious step for Governments is to build, strengthen, support and nurture community based service provision and Indigenous control.

The essence of community based service provision is for regional or local community organisations to identify the needs, plan the services, establish and coordinate the priorities, deliver the services and monitor and evaluate the programs. Many Indigenous communities want control over service delivery priorities and the design and delivery of citizenship type services but at the same time, communities need to have real authority, responsibility and control over adequate funding to manage and deliver services. Community based service delivery should not become an extension or another arm of government where service

delivery is at the direction and discretion of the government funding agency and where community organisations assume responsibility for the governments' action or lack of action.

There are however, dangers in moving towards community based service models because such an agenda may suit governments that want to reduce public expenditure on service provision and withdraw from their responsibility to provide such services. Community based service provision should not represent a form of service on the cheap. Further, community-based services should not place undue burdens on community structures that reinforce existing inequalities between communities or restrict people's choice in accessing services (Ife 1995, 11-14).

What is required is developmental processes to assist communities define and implement their own 'development' agenda. The Dillion report noted that a developmental approach is critical to creating the community 'platform' necessary to build cohesion and cooperation, and the processes and strategies for determining, articulating and addressing needs and aspirations (Dillion 2000, 116). However, this does not mean that development processes are already happening in Indigenous communities. Development is an innate and natural process, hence development is not delivered, rather it is an intervention into processes that already exist (Kaplan 1999, 11). Community development re-establishes the community as a location of significant human experience and the meeting of human need rather than dependency on larger state, global, bureaucratic and professional structures (Ife 1995, 131). Development does not begin when the intervention commences, because it already exists. Equally, development has no end (Kaplan 1999, 17). Community development is an ongoing "process of dialogue, exchange, consciousness raising, education and action" (Ife 1995, 93-94).

Development interventions are about the development of people. Hence, development interventions are more about facilitating resourcefulness; assisting people gain an understanding of themselves so that they are better able to control their own future and to find effective solutions to questions, problems and concerns, including economic and political marginalisation (Kaplan 1999, 14-15). The aim of community development in Indigenous communities is to legitimise and strengthen Indigenous people so they can effectively control their own destiny through their own institutions (both cultural and corporate) and have control over adequate resources to define and implement their development agenda.

To be effective, community development must adopt a holistic approach that focuses on all aspects of Indigenous life rather than a one-dimensional approach. It is now accepted that activities designed to enhance people's participation in decision-making need to be accompanied by programs that improve their economic well-being. Community social programs need to be directly linked to economic development and environmental restoration and protection efforts (Livermore & Midgley 1998, 123) as well as the establishment of decision making structures and processes to engage in the broader political processes. Developmental models for Indigenous communities must address human development, social development, local employment and economic development and issues relating to ownership of land and control over natural and cultural resources.

Development is about change or transformation that makes life better in ways that people want and only people going through a process of development can really define their own 'development' (Lea & Wolfe 1993, 6). In that regard, community capacity building must strengthened the ability of people to manage change as capacity building is about change. Indigenous communities will change as they define, assert and implement their own

development agenda. Change must also happen within governments in terms of how they resource and facilitate greater Indigenous control over their own domain and change in the way governments deals with, and interacts with Indigenous communities. Indigenous people no longer want to be treated as a category of disadvantaged Australians who need more 'passive' service delivery, but as distinct political communities with rights and responsibilities. Community capacity building requires resources and long-term sustainable commitment. It will not happen on the cheap, nor will it happen through short term funding programs. There must be adequate financial resources and physical infrastructure. Program and service delivery funding will not provide sufficient resources for long term sustainable commitment.

The mechanism to enable Indigenous communities to have a greater level of entitlement to financial resources and control over those resources is governance or self-governance. This would mean that Indigenous community organisations would be recognised as performing functions of governance rather than as non-government community service organisations delivering services within program and service delivery guidelines. Research suggests that Indigenous governance organisations should be part of the Australian fiscal and governmental framework. They need to receive more flexible and varied funding arrangements and be provided with a share of the national tax revenue. They need to provide services to agreed standards, exercise jurisdictional authority, levy taxes and raise their own revenue. Indigenous groups need to develop their own models of governance and their own internal governance mechanisms to ensure adequate community representation, deliberation, decision-making and accountability (The Australia Institute 2000, 6-10).

7.1 Recommendations:

15. The State/Territory and Federal Governments and their agencies are responsible for creating the environment and the conditions for sustained human and community development within Indigenous communities. The Inquiry should make recommendations in this regard, particularly in relation to what this might involve.
16. There be a clear statement about (a) the reasons why the Federal Government is moving towards Indigenous delivery of government services, (b) whether adequate resources will be provided to support such processes and (c) whether service delivery will be directly linked with other aspects of Indigenous life (such as human development, social development, local employment and economic development and ownership of land and control over natural and cultural resources).
17. Governments and their agencies should accommodate developmental approaches within their policies, program, planning and service delivery methods and support and facilitate processes to enable Indigenous communities to define and implement their own 'development' agenda.
18. Indigenous communities and organisations need to maintain a level of autonomy from governments in respect to funding arrangements and the delivery of services. They should not become another arm of government or deliver services at the discretion and direction of governments.

19. There should be long-term sustainable commitments from governments particularly in regards to financial resources to undertake, or support community capacity building processes.

8. Research and Education – Key Components of Capacity Building

There are many ways to build or strengthen community capacity, however it is the view of the Faculty of Aboriginal and Torres Strait Islander Studies (The Faculty) that research, education and training are key components of capacity building. The Faculty has a role in building sustainable communities through partnerships and collaborative efforts with local community organisations to engage in community development projects. This includes building local strengths to promote sustainable economic and social development, engage in environmental projects (Livermore & Midgley 1998, 124) and promote governance development. Research indicates that the ideas for sustainable Indigenous human and economic development:

- must occur locally;
- be planned and actioned locally;
- must involve the delivery of technical assistance in collaboration with Indigenous organisations; and
- must make use of Indigenous knowledge.

In this context training includes considerations of community development and capacity building because it is part of the cultural, social and political life of the community (Arbon, Arnott & Others 2002, 96).

As stated in the introduction of this submission, as a research and educational institution, the Faculty is exploring ways to contribute to strengthening and building sustainable Indigenous communities through the provision of research, education and training. However, the Faculty recognises that research and training should not be delivered to ‘passive’ community recipients, as this will not contribute to community capacity building. Equally, training can also be offered to governments and their agencies to strengthen and build their capacities to improve the way they deal with, and interact with Indigenous communities.

The Faculty is looking at how it can contribute by way of research and training to achieving sustainable outcomes in Indigenous communities through governance and capacity building processes. The Faculty is interested in fostering and building research capacity in Indigenous communities as well as develop training courses to meet the governance and development aspirations of Indigenous communities. The Faculty would undertake participatory research and training with Indigenous communities and would integrate research and training with achieving outcomes directed at improving the social and economic situation of Indigenous communities.

The practice and experience of the Faculty is based on forming partnerships with Indigenous organisations or groups to jointly identify, plan and implement research and training projects relating to natural and cultural resource management, health, governance and general education. The partnership is the mechanism for fostering community development and capacity building. Through such partnerships the Faculty and Indigenous organisations and groups undertake collaborative research projects and training. For example, the Indigenous Governance Research Program of the Faculty is based on community development and capacity building methods. The purpose of the governance research program is to:

- undertake collaborative community based research with Indigenous communities or groups to assist in defining their governance and development agenda;
- assist community processes that increase/strengthen human resource capacity to define and implement their governance and development strategies;
- assist community processes that build/strengthen the capacities of Indigenous organisations to implement their governance and development agenda;
- assist community processes that improve social capital in communities to increase people participation and contribution to community development processes;
- create discussion and develop practical ideas on new and innovative working models of change in regards to governance and development;
- increase knowledge and understanding of issues that affect Indigenous people and communities and assist processes to deal with identified problems;
- recognise, respect and protect Indigenous knowledge, cultural practices and intellectual property rights;
- assist Indigenous groups or communities to contribute to, and influence the public policy making processes;
- assist Indigenous groups and communities to engage with the broader society in accordance with their agenda;
- increase knowledge and understanding within government, the NTU, the Indigenous community and the Australian community on issues of Indigenous governance and development;
- develop a body of knowledge and expertise on issues of Indigenous governance and development within the Faculty.

The Faculty is attempting to integrate notions of capacity development and Indigenous governance into research and training projects and education curriculum to ensure that research, education and training meets the development aspirations and needs of Indigenous communities. Community based research is, in itself a capacity building method as a research program or project is an active intervention in a community and is designed to strengthen the community's capacity to deal with identified problems (Boughton 2001, 9-12). Community based research is also the basis of community social action and learning. It provides the knowledge and understanding for Indigenous peoples to determine the education they require in meeting their social, cultural and economic development. It develops people's capacity to exercise greater power over the mainstream education system because that system offers limited opportunities for building human capital (Boughton 2001, 13-17).

It is the Faculty's belief that the use of developmental models to promote human, social and economic development that will improve the social and economic situation of Indigenous people. Human and social development is the basis for local employment and economic development opportunities. Human development includes enhancing the abilities and opportunities of people through education and training, health care, nutrition and child welfare (Livermore & Midgley 1998, 129). Social development includes the creation and enhancement of social networks and social institutions that contribute to development; the creation of community owned amenities and; the development of community and individual monetary assets (Livermore & Midgley 1998, 132). Economic development includes creation of employment opportunities and nurturing local business enterprises (Livermore & Midgley 1998, 135).

A recent report on the Indigenous labour market in the Northern Territory (Arbon, Arnott & Others 2002, 108-109) identified a range of 'indicators', which are relevant to community capacity building processes. These indicators are summarised as follows:

- A focus on, and support for community based and community controlled education and training.
- Training and education should connect to Indigenous conceptions of work and employment and should be viewed as inseparable elements of working and living.
- Education and training should move away from the current model of delivery to an approach that negotiates curriculum and training outcomes with Indigenous communities and engages Indigenous knowledge in the curriculum.
- Adequate funding for infrastructure is required as is funding for human resources and community-based processes; decentralised funding arrangements and flexible grants form an integral element of community based support and planning processes; funding and policy making bodies to further develop approaches to encourage partnership building.

8.1 Recommendations:

20. That the role of research and training in community capacity building processes must be recognised and that Indigenous communities have the opportunity and resources to receive research and training support.
21. Governments and their agencies need to move from a conventional service delivery approach to a developmental or capacity building approach and in doing so must acquire the necessary research and training.
22. There needs to be a major focus on community based research, education and training particularly in relation to connecting training and education to conceptions of work and employment.
23. Education and training need to move away from conventional service delivery methods to models where curriculum and training outcomes are negotiated with Indigenous communities and where Indigenous knowledge and experience is incorporated into the curriculum.
24. There must be a focus on partnership building with Indigenous communities and adequate levels of funding be provided for human resources and community based research, education and training processes.

9. Building or Strengthening Community Capacity – The Faculty Experience

The Faculty of Aboriginal and Torres Strait Islander Studies (The Faculty) has many years of experience working in an educational and facilitative role with Indigenous communities in regards to research and training. In that regard it offers its insights, views and opinions to the Inquiry.

9.1 Strengthening leadership through education and training

One of the negative aspects of the corporatisation of Indigenous communities is that a 'leader' is now regarded as someone who heads up an organisation or who is a governing committee or council member of an organisation or an ATSIC regional councilor or commissioner. This perception of leadership overlooks the potential for other forms of community leadership outside of the corporate context, particularly leadership that emanates from Indigenous law, tradition and custom. While there is a need for corporate governance leaders, equally and importantly, there is a need for leadership in the community from people who have the relevant traditional and customary authority to deal with social, land and cultural matters, particularly matters that relate to community law and justice and land management. There is also a need for community leaders to have social entrepreneurial skills to motivate people, build community networks, utilise local resources and nurture talent, initiative, economic engagement and social responsibility (Ah Mat September 2001: Pearson March 2002).

In remote communities the Faculty works to strengthen Indigenous leadership through its TAFE courses in land management and resource management. These courses are also offered on campus. These TAFE Certificate 1 and 2 level courses lead into a Certificate 4 in Administration and Resource Management, which then leads to the study of resource and land management in higher education (university level). The Faculty's approach to learning in remote communities is based on a number of fundamental principles:

- The process of education need to be on the student's terms and therefore, outcomes of the educational process must be negotiated rather than imposed.
- A negotiated outcome in the learning arena and the development of negotiated knowledges allows Indigenous authority and expertise to become part of learning and training.
- Learning is both Indigenous language and English based and students are encouraged to achieve learning goals, however these goals do not restrict the process of learning.
- Educators take the time to develop relationships in the community and with the students in order to teach the course; therefore such relationships are based on trust, respect and honesty.

While there are natural leaders among the students, it is also the role of the educator to encourage, nurture and facilitate the leadership potential in all students. Importantly, it must also be remembered that leadership is being developed in a different cultural context. The process of building or strengthening leadership involves people acquiring knowledge, being able to think about issues and taking action on those issues and receiving support for their actions.

9.2 Skills, knowledge and understanding of issues

It is the Faculty's experience that a well-run community is usually well resourced and community leaders and non-Indigenous employees or employees from outside of the community (generally the town clerk, community advisor, teachers, health staff, trade persons) provide or facilitate leadership in the community, develop and support the community agenda, have good organisational skills and involve people in community

processes. For example community leaders and non-Indigenous or outside employees need to be able to:

- consult with, and communicate with people and support community aspirations;
- have good planning and organising skills. Be able to facilitate community development strategies and community problem solving efforts and be able to pass on this knowledge to Indigenous people;
- provide information to the community and develop community knowledge and understanding of issues;
- have good administration and management skills particularly in relation to managing budgets, planning and managing work programs;
- facilitate the resolution of conflict or assist the community develop their own conflict resolution mechanisms;
- work with members of community organisations and other community leaders to develop cohesion and cooperation in the community;
- motivate people to contribute to the community through work and to nurture or mentor the learning of new skills by community people;
- train and mentor local community leadership and local management and administration so that local Indigenous people can take over the jobs being filled by people from outside the community;
- have good working relationships and networks with land councils, government agencies (including ATSIC), non-government agencies and training agencies;
- provide a strong role for women in the community and support activities for young people that enable young people to have a role in the community.

Unfortunately, for most communities, community leaders and non-Indigenous employees usually do not have these skills. Indigenous people in particular, need to have a greater level of skill, knowledge and understanding to manage their communities. The positive aspects of the Faculty's land and resource management course are that students acquire non-Indigenous knowledge but at the same time legitimise Indigenous knowledge. They also learn practical skills in chemicals, weeds, feral animals, vehicle maintenance, equipment use, erosion control and fire management. One of the important aspects of the course is that young people learn traditional knowledge from the elders. However, the Faculty would like to see more governance type courses taught in conjunction with its land and resource management course, so that land and resource management is integrated with people's ability to manage and control their organisations, programs and projects and use their skills and knowledge to create economic and employment opportunities in land and resource management or social service delivery.

9.3 Indigenous authority and control

The Faculty is of the view that to be able to do business according to custom and tradition and meet wider governance and accountability standards, Indigenous organisations need to have legitimate authority from the community and such authority must accord with custom and tradition. Such authority does not necessarily manifest through an incorporated structure or a majority vote for a candidate or a governing committee member. The institutional design of an organisation must be based on Indigenous values and practices (not the values and practices of the dominant society) so that a sound institutional structure can be established to encompass and engage Indigenous and non-Indigenous values and practices (Martin 2002, 2). Strengthening and rebuilding Indigenous values and practices will provide a foundation for

Indigenous authority within communities. Indigenous authority needs to be accorded the space, recognition and respect within systems of governance.

In conjunction with a process of strengthening or rebuilding Indigenous authority, there should be a process for governance institution building and governance and administration training. Governments and their agencies must create the environment for these processes to happen and provide the resources to Indigenous communities so that they can obtain research, technical support and training. More importantly however, governments must devolve jurisdictional authority or recognise Indigenous authority and allow Indigenous organisations greater control over decision making and funding. The *Harvard Project on American Indian Economic Development* pointed out some key factors in nation building such as: sovereignty (self-rule and control over decision making); effective governing institutions, Institutions culturally matched with Indigenous culture; strategic thinking and leadership that serves the interest of the Indian nation.

9.4 Regional governance but local control

The Faculty acknowledges that there are views within the Indigenous domain that existing regional governance structures such as ATSIC Regional Councils and Land Councils are not working for the benefit of Indigenous groups and communities or meeting their unique needs. Criticism of the existing regional structures can range from service and program delivery issues to lack of adequate representation on the regional organisation to the fact that the bureaucratic administration of these organisations usurp local authority and that the corporate culture of these organisations is more European than Indigenous.

At the same time however, it is recognised there are different levels of governance and while there may be criticism of existing regional structures, the trend in the area of Indigenous governance is for more regional structures. Given this trend, it is therefore appropriate for regional governance structures to incorporate mechanisms, that confirms their cultural legitimacy and allow local initiative, local decision-making and local control over community and social development within the regional governance framework. Further, regional governance structures need to incorporate policies, practices or functions that facilitate, nurture and support capacity development within Indigenous communities. Some of these practices or functions are:

- The corporate and institutional structure of governance must be based on Indigenous values and practices;
- The corporate culture of the governing organisation must be grounded in Indigenous culture and tradition.
- Indigenous knowledge must be recognised, protected, legitimised and incorporated into the corporate knowledge and experience of the governing organisation.
- The governing organisation must engage its constituents in its research and policy making processes as the means to provide knowledge and information to people.
- The governing organisation needs to actively increase or strengthen the level of education and skill of Council or Committee members and Indigenous staff particularly in governance, management, financial administration and policymaking.
- The governing organisation's functions must also include building or strengthening human resource capacity (particularly local workers who have management and administration skills) and building or strengthening social networks and social institutions rather than just delivering 'passive' program and services.

- There must be broad representative of all Indigenous sub-groups in the governance organisation so that all people can actively participate in governance processes.
- The representation of individuals on the governing committee should be done in accordance with Indigenous tradition and custom or according to an agreed method of election, nomination or appointment.
- There must be mechanisms to minimise organisational resources being captured by an individual or sub-groups;
- There must be clear policies and processes to develop partnerships with constituent groups and ensure consultation and negotiation with these groups is part of the governing organisation's policy and practice.
- The governing organisation must create a supportive environment in which communities and constituent groups are provided with responsibility and the necessary authority to define and implement their own development agenda.
- The governing organisation must recognise, respect and protect the human and Indigenous rights of communities and constituents groups.
- There must be recognition and respect for the different cultural protocols of communities and constituent groups.

9.5 Employability, management, administration and governance skills

Essentially, community members require skills to be employable. People need to have a variety of social and personal skills as well as the ability to learn technical skills. For example, the Australian Chamber of Commerce and Industry (2002) has listed certain employability skills relevant to the workplace. Such skills are in the following areas:

- *Communication* with other employees and customers through speaking clearly, writing, reading and numeracy;
- *Team work* for productive working relationships and outcomes;
- *Problem solving* for innovative and practical solutions for productive outcomes;
- *Self management* for taking responsibility, having goals and own ideas and vision;
- *Planning and organising* for managing time and priorities, allocating resources and improving processes;
- *Technology*, having basic IT skills and willing to learn new IT skills;
- *Learning*, being willing to learn new ideas and techniques and to accommodate change;
- *Initiative and enterprise*, being creative, identifying opportunities, translating ideas into action, examining options and initiating innovative solutions.

The Faculty believes improving numeracy and literacy is an obvious requirement, given the poor outcomes for primary and secondary education and the lack of access to proper education services for people in rural and remote communities. The Faculty is also mindful of the need to provide or improve existing courses to incorporate aspects of management, administration and governance training so that Indigenous people can acquire the skills and knowledge to better define and achieve their objectives, engage in consultation and planning, manage community projects, and take part in partnerships and community enterprises. From the Faculty's perspective, skills, technical support, culturally appropriate expectations and authority (both legislative and traditional) are required to create economic and employment opportunities from land and resource management projects. Adequate funding for community based research, education and training is also required.

Unfortunately, many community members, especially governing committee members, lack the capacity and confidence to challenge incompetent coordinators or managers or take on those responsibilities themselves. Further, in regards to running community organisations governing committee members at times fail to fully understand the illegality or unauthorized nature of certain activities and are caught up in a web of deceit and payoffs. Indeed there are also Indigenous people who deliberately exploit their own community organisations. Unfortunately the behaviour, activities and lack of competence of some employees in Indigenous community organisations have resulted in the imposition of a strict accountability agenda by governments. Certainly, there is a need for proper accountability of funds and provision of services, however it is the community who suffers and those who undertake illegal or unauthorised activities or are inefficient in their jobs continue to exploit Indigenous communities or impose themselves over communities.

9.6 Genuine partnerships mean the parties are equal

Allowing Indigenous people an increased role in the decision-making and service delivery processes through partnerships with governments is a step towards allowing more control and responsibility for Indigenous communities. However, partnerships need to go further so that Indigenous people are in control of the funding and the processes that determine service delivery and programs in their communities (Central Land Council 2000). Also there is a need to examine whether or not Indigenous organisations can be parties to funding agreements, which involve Federal/State funding (Northern Land Council 2000).

Conventional service delivery methods do not really require genuine partnerships with Indigenous communities or organisations, because Indigenous people are treated as a category of disadvantaged Australians, rather than as political communities with rights and responsibilities. Partnerships with the Northern Territory Government are not always collaborative nor do they deliver control to Indigenous communities or deliver the desired outcome (Central Land Council 2000). Also existing collaborative arrangements between the Federal and the Northern Territory governments have left the Indigenous 'partners' with no equitable voice because decision-making and budgetary power has largely been devolved to the NT Government (Northern Land Council 2000).

Genuine partnerships are only possible when the parties are on equal standing. Hence collaborative arrangements need to be developed according to clear criteria that ensure that Indigenous people have the numbers, support and resources to participate fully (Central Land Council 2000). Until governments understand that the existing service delivery paradigm contributes to passive welfare dependency and until the delivery of mainstream citizenship type services is underpinned by a rights agenda, there will never be genuine partnerships between government agencies and Indigenous communities. Genuine partnerships are underpinned by trust, respect and understanding and involve delegation of jurisdictional authority or recognition of Indigenous authority, as well as greater control over decision making and funding.

The Faculty's experience is that genuine partnerships are based on:

- Respect for cultural protocols and recognition of the rights of traditional land owners;
- Recognition that Indigenous knowledge and experience is legitimate;
- Recognition of Indigenous authority and power;

- Building personal relationships through learning the local language and the kinship systems;
- Provision of information and knowledge and facilitating community understanding of issues;
- Negotiation about how education services are delivered and negotiation about service delivery outcomes;
- Adequate funding to carry out the task or the project.

Further, genuine partnerships must also include such matters as:

- An agreed process to allow Indigenous communities to incrementally take over responsibilities;
- Indigenous control over funding, decision-making and program and service delivery;
- Devolution of adequate jurisdictional authority or recognition of Indigenous authority;
- Adequate authority, infrastructure, technical and research support to ensure the Indigenous partners have equal standing;
- A legislative framework underpinning the partnership agreement.

9.7 Strong regional or community organisations to coordinate government

As noted by the Commonwealth Grants Commission, intergovernmental arrangements are inadequate. Governments have not been very successful in coordinating their work in Indigenous communities or within Indigenous regions and in many instances governments have hindered or ignored Indigenous aspirations. For many Indigenous people, governments are an enigma. It provides funding, makes demands, undermines Indigenous aspirations, controls what happens in communities and can even put people in jail. Past experience in dealing with governments has engendered frustration, distrust and cynicism because Indigenous people perceive they are not in control of their communities and that nothing will change. Public policy processes and practical reconciliation programs have had very limited and have been of little benefit to Indigenous people.

Given this situation it is more important to establish strong community or regional Indigenous organisations. Such organisations would articulate the community's development agenda and play a significant role in coordinating State/Territory and Federal government agencies to ensure adequate and appropriate level of funding and service delivery are provided and that there is a more holistic approach to Indigenous social and economic development.

9.8 Recommendations:

25. Strengthening or building community leadership should not only involve improving corporate leadership, but should also extend to developing social entrepreneurial leadership and importantly strengthening leadership that has its basis in Indigenous law, custom and tradition.
26. Indigenous community leaders and non-Indigenous employees or employees from outside the community must have the requisite skills to be able to manage a community organisation as well as support and facilitate community development and capacity building processes.

27. Assistance should be provided to community organisations to enable them to employ better and competent staff. Such staff must have good leadership, management, and administration skills but most importantly they must have training, skills or experience in community development or capacity building.
28. There must be capacity building processes to assist communities design and develop new governance organisations and such organisations be based on Indigenous values and practices.
29. Given the trend towards regional governance structures, regional governance organisations must incorporate mechanisms to allow local control over community and social development. It must also enable broad representation of all sub-groups, protect the rights and interests of the constituent groups and actively facilitate capacity building processes with its constituents as well as actively develop knowledge and improve the skills of governing committee members and Indigenous staff.
30. Indigenous community residents and governing committee members require skills that will make them employable, particularly skills training in the area of:
 - (a) communication, team work, problem solving, self-management, planning and organising, technology use, learning, and initiative and enterprise;
 - (b) literacy and numeracy;
 - (c) management, administration and corporate governance;
 - (d) land management.
31. Collaborative partnerships between Indigenous organisations or communities and governments or their agencies must stand the Indigenous party on an equal footing. The Indigenous partner must have authority, control of funding, and adequate support and resources to discharge its functions, challenge the other partner (if necessary) and to obtain independent information and advice.
32. There must be strong (having jurisdictional authority) and well resourced local or regional Indigenous organisations to articulate the community development agenda and coordinate governments and their agencies to ensure that appropriate and adequate level of funding and service delivery are provided and that there is a holistic approach to social and economic development.

9.9 Conclusion

The Faculty of Aboriginal and Torres Strait Islander Studies and its research arm, the Centre for Indigenous Natural and Cultural Resource Management, have been involved for a number of years in teaching and research that go towards building the capacity of Indigenous peoples and communities particularly in the Top End of Australia. The Faculty proudly carries the mandate to ensure and safeguard the advancement and transmission and preservation of

Aboriginal and Torres Strait Islander knowledge. In keeping with our traditions of sharing and caring, one of our objectives is to share key elements of this knowledge within the guidelines of Indigenous protocols both nationally and globally to contribute to the development of humankind.

More recently, the Faculty has concentrated its efforts on Indigenous governance and capacity building. From its experiences in these areas, along with the paucity of literature and research outcomes on Indigenous capacity building and governance, and the current national emphasis on these areas, this Faculty recommends a *National Centre of Excellence in Indigenous Governance and Capacity Building*. Such a Centre could co-ordinate teaching, training and research into issues relating to Indigenous Governance and Capacity building and could also act as both a national and international clearing house in all matters relating to these areas where they impact on Indigenous peoples globally.

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17 Sept 2002