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Official Committee Hansard

**HOUSE OF
REPRESENTATIVES**

STANDING COMMITTEE ON ABORIGINAL AND TORRES
STRAIT ISLANDER AFFAIRS

Reference: Capacity building in Indigenous communities

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HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON ABORIGINAL AND TORRES STRAIT ISLANDER AFFAIRS

Wednesday, 19 March 2003

Members: Mr Wakelin (*Chair*), Ms Hoare (*Deputy Chair*), Mr John Cobb, Mr Danby, Mrs Draper, Mr Haase, Dr Lawrence, Mr Lloyd, Mr Snowdon and Mr Tollner

Members in attendance: Mr John Cobb, Mr Haase, Ms Hoare, Mr Snowdon, Mr Tollner and Mr Wakelin

Terms of reference for the inquiry:

To inquire into and report on:

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

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

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Committee met at 4.45 p.m.

CHANDLER, Ms Jennifer Ann, Chief Executive, Reconciliation Australia

CHANEY, The Hon. Frederick Michael, Co-chair, Reconciliation Australia

GLANVILLE, Mr Jason, Policy and Programs Director, Reconciliation Australia

McDONNELL, Ms Siobhan, Project Coordinator, Banking and Finance, Reconciliation Australia

CHAIR—I declare open this public hearing of the Aboriginal and Torres Strait Islander Affairs committee inquiry into Indigenous capacity building. I extend a very warm welcome to the representatives of Reconciliation Australia. There are some people amongst these representatives who know this process better than I do. Perhaps each of you would like to make a short opening statement. I will not introduce everybody. We pretty well know each other and it will become fairly apparent. People will be coming and going a little bit, so please bear with us because time is of the essence. Over to you, Fred. Welcome.

Mr Chaney—I will make a few opening remarks. First of all, we at Reconciliation Australia welcome parliamentary engagement with these issues. We think they are of great importance. There are other parliamentary inquiries going on at the moment. We welcome them as well. One of the issues is to get continuity of attention to Indigenous issues, and I think the parliament has a very important role in that regard. Second, we think that the terms of reference are useful and appropriate, as we note in our submission. So we welcome this inquiry, which we think is both timely and pertinent.

We would also like to emphasise that we see this as a time of very real opportunities. We will touch on a number of reasons why we think that is so. I do not think there is any doubt that native title, whatever difficulties are involved with it, has certainly created a new culture of negotiation. Wherever you go in Australia, there are certainly negotiations between governments and Aboriginals, miners and Aboriginals, and local government authorities and so on. Last week, I was in the western desert watching the Martu people entering into their first major commercial arrangement for the use of their land with a major mining company. That is just one tiny example of what is happening around the country.

The governments of Australia, through COAG, have made a renewed commitment which we think is very important, and we think some very useful things are flowing from that commitment. It is an all-government exercise but we note in particular the work which is being done to establish benchmarking, which will enable a realistic measurement of what is happening on the ground and give us a few ways of knowing whether we are moving forward or backwards. The parliament passed legislation a little over a year ago relating to the benchmark of education. There has been the first annual report on that. On a much wider front, there has been the transparent process of trying to find a series of benchmarks that will give the parliament and the people of Australia a better handle on all this. We would say it is quite important for the parliament to be monitoring what flows from that work.

In terms of positive things, there are two other matters. There is the commitment to looking administratively at the organisation of government services. There is experimentation in a

number of localities, with Commonwealth and state cooperation, with Commonwealth ministers and heads of department being involved in an attempt to rationalise the approach to government services. We think it is certainly a step in the right direction, although if that does not connect with real activity on the ground, then it will just be another reorganisation. But as an attempt to deal with a very difficult issue about the confusion of programs, contacts with communities and so on, it is a really positive step.

Finally, I would mention the commitment to practical reconciliation at the government level. Whilst the terms of the government commitment to reconciliation are narrower than the view we would take of reconciliation, they are undoubtedly a key part of reconciliation. We quote the late Charles Perkins in saying that reconciliation without social justice for Aboriginals is pretty meaningless. For that reason, we think the government commitment to practical reconciliation is an important part of what is happening. It also provides this committee and the parliament with a way of monitoring what is happening. If practical reconciliation is the commitment, it is about what is actually happening. Again, that relates back to the benchmarking and other ways of measuring, be it words or actions.

Having acknowledged those very positive things, I draw the committee's attention to issues relating to capacity building which we think are important and which are dealt with in our submission. I want to bring out a couple of elements. I think I can do this most easily by referring to some specific examples in our submission. Again, I refer to these in part because I am personally familiar with them and it is easier to use them to illustrate some of the principles that we have tried to address in our submission. One is the Gumala Mirnuwani project, which is an education project in Karratha and Roebourne in the Pilbara of Western Australia. I brought with me some pamphlets relating to it from the Polly Farmer Foundation. There is one for each member of the committee. I will leave them with you. Fundamentally, this partnership between Aboriginal people, industry, schools, Commonwealth education and state education has produced some outstanding results, opening up matriculation and getting students going to university in a diversity of disciplines. A lot of students are going into trade training. School attendance is virtually the same for non-Aboriginal and Aboriginal children and so on. It was described by a former education minister, David Kemp, as the best example he had seen of Aboriginal education initiatives.

Why I think it is relevant to capacity building is that it goes to a number of elements that I think are of interest to you under your terms of reference. One is that it is undoubtedly contributing to capacity building at the individual level. The other, though, is that I think it reflects the very important issue of building the capacity of government to deal with these issues. Engagement with this project has ensured that both the state and the federal government education authorities are working with the community on the ground and adjusting what they are doing to meet the actual needs and to produce the outcomes. They have become part of managing for outcomes. Whether we like it or not, a very important part of capacity building relates to the total failure of many government programs to actually connect in a meaningful way with Aboriginal people. I offer this as an example of the sort of public-private community partnership which addresses a series of capacity building issues at the individual, community and government level. I will not labour the point because your time is short.

You would also be familiar with the Moree Aboriginal program, which is really driven in large part by a member of our board, Dick Estens. I am tendering copies of the independent assessment which was commissioned by us but funded by ATSIC and which I think

demonstrates the significant degree of capacity building across a range of fronts through a community based effort. Some of you would be familiar with western New South Wales, perhaps directly or by reputation. I think there is no doubt that the situation in Moree has been revolutionised and that there are a lot more Aboriginal people in employment. There has also been a form of capacity building in that community to deal with issues that had bedevilled it for many years, probably for several generations. I think it is a very good example of the interrelationship between capacity building in the different areas that you are addressing. These things are not independent of each other.

You can produce a virtuous circle where once there was a downward spiral. The virtuous circle involves, I think, increasing the capacity of all of the elements of the community, not just of the Aboriginal people. They are not unrelated. The other example that I want to put before you is the Katherine West health scheme. Again, this relates very squarely to the issue of, in a sense, the government's capacity to influence capacity building and to achieve outcomes. There is a splendid presentation on this available on the web site of our governance conference in a presentation by Minister Ah Kit last year. To try to capture it in a few words, the Katherine West area was served by a mishmash of agencies and programs in the health field. There were a dozen or more different agencies delivering different elements of service. Katherine West now has a single health service which is block funded to meet all of those programs. So the individual programs have essentially been collapsed into a single service. A very important Commonwealth contribution has been to collapse in the funding.

One of the great canards of this area, of course, is that Aboriginal people are overfunded. If you look at Medicare and pharmaceutical benefits funding, little if any of that money goes to Aboriginal communities. They are simply not serviced by those programs. So the Commonwealth—and this is a very important contribution—worked out what would be the appropriate share, if you like, for a community of that size with those programs and bundled that money in. So you have an empowering of the community, which itself means that that community now has the capacity to service its health needs. They are not purely Indigenous health needs, as I understand it. There are other people with more expertise on this among our group. They can add to or correct anything I am saying.

CHAIR—I chaired the previous parliamentary committee, which dealt with a lot of these issues, so I am familiar with them.

Mr Chaney—We are asking you to look at those interrelationships of building the capacity of government itself as an important point. The last point I wanted to make by way of opening is to say that I think it is also important for this committee to address government affected barriers to capacity building. In other words, it is very easy to stand back and say, 'Isn't this terrible. There's a lack of capacity here and nothing is happening.'

Just as I was coming here, my attention was drawn to a press release from my old friend and colleague Tony Abbott, which I now seem to have lost among these papers. But it relates to some comments that Tony made about his visit to Cape York. I might say that I am planning to visit Cape York with the minister later this year to look at this coordination of government programs. But it is highly critical of the failure of native title to deliver. It is quite a critical piece. It is headed 'Aboriginals need capitalism, says Abbott'. It says native title is holding back Indigenous Australia. He refers to the fact that land title reform is an essential part of economic empowerment. I think this is a very important way of drawing attention to a deficiency which is

not Indigenous entirely but system imposed on achieving economic development on native title land in particular. Governments are very careful to identify native title or to recognise native title in a form which is economically useless. The truth is that it is for that traditional use and that does not allow alienation. It does not allow many commercial things to happen. Where I think it is important to look carefully at what the minister is saying is that it is not necessarily incompatible with economic development to have communal perpetual title.

The Alice Springs to Darwin railway line, for example, goes through Aboriginal land. It is on the basis of 99-year leases. Those leases provide security for borrowings. In addition, those leases have enabled, as was extensively discussed in Alice Springs just a week or two ago, the leveraging of employment opportunities. So the contract for sleepers, for example, is carried out on time by a company with 30 per cent Aboriginal employment. We heard this wonderful account of the way, in a sense, a commercially viable title has been created and you have the leverage of creating Aboriginal employment at the same time.

CHAIR—We had Duncan Beggs with us in Darwin last year. You know Duncan.

Mr Chaney—What worries me is that one frequently sees political statements about the lack of economic programs when over the last 12 months Reconciliation Australia has clearly identified that there is a failure to provide suitable ways of accessing finance. Those failures are not repeated in North America. If you look at the Canadian examples, which have been brought out at our conference—there were some very good presentations on this—there is no barrier to devising means of being able to raise capital for use on native title land. It is that we have simply not done the work to do so. The banks have not done it and governments have not done it. There is a great opportunity now to devise systems which will enable loans to be made to Indigenous communities and, importantly, to Indigenous individuals based on their land.

In your electorate, for example, Mr Haase, I will never forget the young man from Bidgidanga saying, ‘Well, we’ve got our native title now, but I’m a builder and I’m here servicing houses at Bidgidanga. I need a block of land. I need to be able to run a business.’ Now there is absolutely no problem in devising a system which will enable him to get a marketable title which is not extinguishing the community’s title. That does away with the problem of compensation and it provides the sort of tool for economic integration that is the wish of all parties in this parliament. So what I am saying is that there are a whole series of barriers which really can be addressed by reform of law and by getting institutions to operate in a different way.

CHAIR—We certainly need to do that.

Mr Chaney—We would be happy to talk in greater detail at another time. Our submission tries to draw some of that out. We draw attention to the conferences we have had. The whole issue of the capacity of governments to do business with Aboriginal communities and to, I suppose, work with Aboriginal communities to promote opportunities needs to be advanced. I draw the committee’s attention to the proceedings in Alice Springs a few weeks ago on Aboriginal economic development, which contained a lot of serious contributions to things that can be done. Those opportunities represent real aspects of capacity building and are examples of what we need to see on a wide scale.

CHAIR—Thank you very much, Fred. I am going to go straight to Mr Haase in about a minute because I know he has to leave us. I will then go to Ms Hoare because she also needs to leave us, though she has a little more time, I think. But there are issues around COAG, ATSIC, the administration, the pilot projects, Katherine West, the MBS and PBS and certainly becoming much more, I guess, outcomes focused. A lot of this stuff offers some optimism and hope for the future. You would have noted in our third term of reference the capacity of government to actually deal with these issues as well. We are not aiming them exclusively at Indigenous people. We are very clear about the capacity of government to be able to respond to the issues that are there.

Mr HAASE—Thanks for being here, folks. It is a great opportunity to see some of those who deliver an important point of view. Thanks for your submission. It is so ironic that you should table this summary today. I have been speaking to one of the senior minister's staff about this very project in light of problems being experienced in the Kimberley and the relevance of this success as to what might occur in the Kimberley and the fact that negotiations have been so unsuccessful with local people.

The oft-mentioned statement raises its head again that this native title situation gives people the right not to negotiate. Whilst I have been listening to you, I was thinking of the major aquaculture project mooted for Wyndham, the relocation of the Broome airport and this major radical water use agricultural project proposed for the southern Kimberley and northern Pilbara. Those three projects, perhaps with the exception of Broome airport, all have the potential to rerun the Moree experience and all are being stopped dead in their tracks from proceeding by, I am told, the intransigence of Aboriginal groups in the area. I wonder what advice you could give us as to how we either circumvent that apparent impasse or develop legislation or agreement that stops it from happening. Will you give us the good advice for us to ignore it and get on with life and accept it?

Mr Chaney—Wyndham, Broome—and what was the third one?

Mr HAASE—I know you will know all about this, Fred. It is a radical water use project for the southern Kimberley and northern Pilbara which involves broadacre aquaculture.

Mr Chaney—Wearing another hat, let me say that I do have some knowledge of all those matters. In terms of your opening remarks about the East Kimberley, as it happens, I will be in the East Kimberley in April wearing two hats, actually—both this reconciliation hat and the native title hat—to coincide in part with Deputy Prime Minister Anderson's visit to the East Kimberley. I have already opened discussions with some people in Halls Creek about whether or not there is a community base for an effort such as this. In my view, you are quite correct. This is a very relevant example for that region. I want you to know that Reconciliation Australia is definitely looking, in conjunction with some support we have had from Tony Abbott's office, at the possibility of doing something along the lines of the Moree project within your electorate. It is at an early stage, so I do not want to over-represent it. All I can say is that we are working on that possibility at this very moment.

In terms of the three specific matters you have raised, the one that I asked you about again, the water use one, raises a lot of issues which are outside native title. There are a whole lot of environmental and other interests in that—

Mr HAASE—I appreciate that.

Mr Chaney—I am, however, involved in the Karajarri mediation regarding the community of Bidgidanga, which is the community I mentioned a little while ago. To this stage, they have been very cautious about the notion of a cotton industry in their country, as you probably know. So there are definitely native title and other implications with respect to that. As far as Broome airport and Wyndham are concerned, I think part of the answer to that has been the slowness of dealing with native title issues. In other words, the Broome airport was postponed for five years. I am going on news clips here, Barry. The state government, I think, said it was put off for five years because they wanted to settle native title issues first. That is not a requirement. There is, of course, a process under the Native Title Act whereby if you wish to proceed on that, there are processes with strict time limits. You would be familiar with that. The act permits that.

Mr HAASE—I am but, without the press releases, my understanding is that it fell down because of a lack of negotiation.

Mr Chaney—What I am saying is that there were political choices there as to whether that was proceeded with or not. The political choice was made. I make no comment on the rightness or wrongness of it. The fact is that a political choice was made to postpone that project. All I am pointing out is that if a government wished to proceed with a project like that, it cannot be stopped by native title because the Native Title Act, including the amendments that were put in by your government, is very clear that future acts can be put through this process of consultation or negotiation, depending on the status of the land. There is a process for arbitration if there is no agreement.

In a sense, as with some mining companies, governments sometimes decide that they are going to take the slow road rather than the fast road on these things. I am not critical of that choice. That is essentially not a matter for me or for Reconciliation Australia. All I am saying to you is there are other options available there. If the Broome matter was settled as a native title matter and it goes to trial in May, then of course the whole position will become much clearer in terms of negotiation anyway because the issues will have been settled with the Aboriginal community and that should facilitate it. My understanding is that the Wyndham issue is very similar. The people associated with that are either part of the Miriuwung and Gajerrong claim or the Balangarra claim. The Miriuwung-Gajerrong claim has been in litigation now for close to a decade. It has just been referred back to the full Federal Court by the High Court. You know those people, Mr Haase. They are your constituents. They are being put through a process which, from their point of view, is horrific. If that matter could only be settled, then I think dealing with issues like the Wyndham fishing matter would be fine.

As for Balangarra, a preliminary agreement with signed with the previous state government many years ago. The report was to an open court, so I can quote this. There was considerable impatience at the lack of progress, but again that claim has languished. I would have to say that these are complicating factors in terms of dealing with these issues. Communities which do not have great capacity—which is what this inquiry is about—are being called upon to go through very lengthy processes. In the case of the Miriuwung and Gajerrong people, they have now their fourth court process in a decade. I do think, in a sense, there is a very significant impact on their capacity to deal with issues when they are trying to deal with so many very difficult legal issues at the same time.

The East Kimberley is very much in my mind at the moment. My response would be to say that there are complex issues that the Miriwung and Gajerrong are being called upon to deal with—ORD of stage 2, the renegotiation of the Argyle agreement, the resubmission of the first Miriwung-Gajerrong case, the Ward case, to the full Federal Court, and negotiations with various pastoral companies about land swaps. There is a real volume issue here, which I would be happy to discuss with you in another context.

Ms HOARE—You were talking earlier about benchmarking for practical reconciliation. I wanted to ask you about benchmarking for symbolic reconciliation. Is that possible? Can we measure it? We often come across this argument.

Mr Chaney—I think the answer is yes in that it is difficult to do that absolutely because what is symbolic reconciliation has yet to be agreed. Until it is a matter of agreement, it is very hard to say what the final point is. Where does the symbolic reconciliation end? Does it end with the treaty or not having a treaty? There are strongly divided views on that, so it is a bit hard to say that we are benchmarking to this end, because the end is not yet settled. On the other hand, I think one can produce some very useable benchmarks of the following sort: what number of state government, local government and corporate agreements have been made about relationships?

Let us take an example. There are a number of examples—I speak about Western Australia because that is my home turf—where the local authority has entered into a relationship document. There is the City of Fremantle, Shire of Port Hedland, City of Bunbury and so on. I would see that as at least a step at the local level where people have a relationship. The state government of Western Australia has entered into a relationship with ATSIC and all the peak Aboriginal bodies—a sort of covenant as to how they are going to operate. Another sort of example might be to what extent the states have engaged in seeking consensual arrangements. The Martin government has taken certain views about trying to move to an agreement based culture. That is not the government's words, but that is the idea, I think. So one can, I think, imagine drawing up a series of things which most Australians, Indigenous or non-Indigenous, would say, 'They are good examples of symbolic reconciliation.' You could measure, for example, the adoption of protocols. The Australian National University has adopted significant protocols. It seems that they are things that are measurable.

Mr Glanville—Absolutely. I think of the work of particular sectors like the local government sector and the university or higher education sector. You start to hit a wall when you get to issues like measuring the levels of engagement of individuals in the reconciliation process or the types and number of relationships between people in the process. It is easy to measure or quantify the kinds of partnerships that Fred is talking about. But so much of the guts of our work is about individual relationships. Whatever people choose to call it—healing or education or commitment, whatever it might be—that is the kind of stuff I do not think we can measure. It is a pity, because I think it happens every day in most communities around the country and we certainly do not see enough of it on the front pages of the newspapers and we do not hear enough of it through other media sources. But I agree with Fred in that I think there are real tangibles, particularly if you take a partnerships approach to measuring the symbolic outcomes of reconciliation. I think Fred is spot-on.

Mr Chaney—We had a very interesting argument about the technicalities of benchmarking before coming here. Perhaps I should invite Siobhan to make a comment.

Ms McDonnell—I have one comment. I think the Moree Aboriginal employment strategy is very interesting in this respect. There are the on-paper tangibles in terms of employment outcomes that have been generated. But if you talk to Dick Estens about this kind of project, he will tell that you the whole project is about moving the community in the direction of reconciliation. What does that mean? That means things like having Aboriginal flags down the main street, putting up a placard at the local pool where Charlie Perkins and the freedom riders were not allowed to enter all that time ago, and saying, ‘This is what happened in this period of time.’ So they are some of the things we think of as symbolic, which are really foundational to that process of moving a community in the direction of reconciliation.

Personally, I think the difficulty with practical reconciliation is that there are the very tangible outcome-related measures that we can look at, which are incredibly important. So it is about looking at employment outcomes, looking at health outcomes and looking at education status. They are all incredibly important for us as a society. However, we should not lose the symbolism, which is about moving us, the entire Australian nation, in the direction of reconciliation.

Mr Glanville—I think the link between the symbolic and the practical is obviously important, but it could, I guess, create some shadowy areas around the way you measure stuff. I will use the example of Moree again. Dick tells some great stories about why Moree has been such a success. There is a story about the local glassmaker, the guy who replaces the windows in the main street when they get smashed. There has been a significant decrease in his work. This guy was having a go at Dick one day because his business had decreased so much. Race relations had improved to the point where there were not as many windows in the main street being wrecked every weekend. So his job on a Monday morning was to replace half as many windows—I am not quite sure what the figure was—or many fewer windows than he had to do in the past. So there is the symbolism of the fact that relationships had improved and that the town had changed. There is also—and Dick talks about this a lot—the link between that and the reduction in crime in Moree. I think it gets difficult when the two things start to flow between one another.

Mr Chaney—I can tell you how I benchmark Moree, because I have been to Moree in the past and I have worked quite closely with Lyall Munro, who is the senior Aboriginal man in the town. You would know him; he was an old National Aboriginal Conference chairman for a while. I think he complained bitterly about me at the time as being a no-good minister, as I recall it. Lyall and I had quite a long association. He took me around the town and continually drew my attention—we spent a day together—to how good things were.

There is an interesting benchmark. Will the local Aboriginal leadership, when you visit the town, be telling you that things are really good? I think that is a pretty good sign that there is a real shift. It was a pretty amazing day for me to see the banners in the streets, to see the welcoming signs as you come into town and to see the plaques and so on. I think there are ways. They are perhaps a little more subjective than the measures you use to check on infant mortality, longevity and life expectancy and all that sort of stuff, but they are real. If you go to a town where everybody is unhappy, I think you can be pretty sure that there has been no symbolic or practical reconciliation.

Mr JOHN COBB—I notice all the towns you talked about that have looked at trying to take the Moree system further are all in the north. Is there a reason for that, or is it just a matter of

geographical closeness to Moree? I do not know who did the figures here, but I think they are a bit old. I have heard a lot of estimates of the figures at Dubbo and they go from 4,000 to 10,000.

Mr Chaney—Do you mean the Aboriginal population?

Mr JOHN COBB—Yes. It is more like 10 per cent than seven per cent. I am very interested in this. It seems to me that Dubbo would be an obvious place to try it.

Mr Chaney—Dick is rolling out Moree currently in Tamworth and intends to spread it through that region as best he can. We are anxious, in fact, to trial community based employment and to promote employment and better relationships in some different settings. I can assure you that the East Kimberley is very different from western New South Wales. So these are early days, I would have to say, Mr Cobb. We have sought some support from the government to enable us to trial community based projects in a number of other communities with a view to seeing whether we can find a model which can be more widely used. In much the same way as this educational model is being rolled out in different parts of Western Australia, we hope to have an opportunity to do it in the Northern Territory. But I think it is fair to say that the Moree model has not really been trialed anywhere else yet.

Mr JOHN COBB—It would be interesting to try it there in a bigger, more cosmopolitan town. It would be harder because it is so much bigger and people do not know one another in the same way. But it would be a real test.

Mr Chaney—I think it is important to acknowledge that there are myriad efforts around the country of quite different types, according to the environment. For example—again, I am sorry to quote my home town, but that is where I have the broadest contact—there are school to work transition programs. The Red Cross is involved and kids are encouraged to get part-time jobs in their later high school years both to encourage them to remain at school and to encourage transition to the work force. So people are trying different things in different locations.

Reconciliation Australia is trying to identify areas of good, if not best, practice and to see them spread. You do get some quite remarkable shifts. For example, in a difficult area—again, the East Kimberley area, which is Mr Haase's area—Argyle Diamonds have struggled for 20 years with their programs to engage Aboriginal people. They have managed to trundle along at something like four per cent Indigenous employment. They have gone, in the space of about 18 months, to 13½ per cent Indigenous employment. They are aiming at 30 per cent if they go underground. That is a big shift. That is a trebling. When you ask them how they did it, they say they just changed their approach to recruitment. It is mentioned in our annual report card. They recruit on aptitude and attitude. They give people a trial job. Instead of giving them an interview and looking at their qualifications, they have them working under a foreman. The foreman says, 'This is okay.' They have managed to treble their employment.

I was at a conference the other week where they were talking about the mine in the Tanami Desert, at the Pinnacles, where they have over 20 per cent Aboriginal employment. That has involved a process, as it was described to me, of working to engage with the community to develop a trusting relationship with the two substantial Aboriginal communities, which are each a couple of hundred kilometres from the mine. I would say that is a rather revolutionary outcome that has been achieved by quite evolutionary means. We are trying to look at this and

ask, 'What is it that works here? What is really changing things?' There are some very good examples.

Now if we can find those examples, isn't it worth trying to repeat them in the local regions? What Dick is doing, we believe, could be done by any determined community which has access to real economic activity. I think Dick and his colleagues are proving—he would not wish to take all the glory for this; in fact, he is insistent that he has had hardly anything to do with it—that in a town which was a byword for 'difficulty', you can change it all. That is community driven. What we are experimenting with is whether we can sew a similar seed in other communities and see whether it works as well.

Mr SNOWDON—I am conscious of the time. I would like to make a couple of comments, if I may. Firstly, the submission is a very good one. I am struck by the recommendations, because I think they are particularly apposite to what we are about. I will make an observation, perhaps in a way to respond to what Fred just said. It seems to me that two fundamental shifts have taken place, one of which has been in areas of governance—that is, governance in the general sense—where governments have started to understand that confrontation and litigation are not the way to get a deal done. As a consequence, in the Northern Territory, for example, we have a government which is now prepared to sit down and has negotiation as a *modus operandi*. This has happened to the point where last week we had announced the first of its type in Australia, as I understand it—the settlement of native title issues within a town boundary. This will lead to the joint venture development of multiple numbers of housing blocks, which is evidence of the capacity for native title to be used for economic benefit.

Secondly, I refer to the attitude of management in companies. I recall distinctly the attitude of the mining industry in the early 1980s, which was an absolute reluctance to engage with Indigenous people as rightful traditional owners. This is in areas where land rights existed, so it was a lot worse elsewhere, because there was at least a negotiating lever, where land rights existed, to employment attitudes. I could name companies, including the ones you have talked about, Fred, that had a record of not employing any Aboriginal persons. BHP at Cadjebut started to employ people in the early 1990s. We are now in a situation where, as you point out, CRA are now mandating 30 per cent employment of Indigenous people in the Kimberley and the Pilbara. That is going to be a huge institutional change, and that is management driven. In addition, Alcan in Nhulunbuy has done a similar exercise. They have actually gone out to engage and employ people. So there has been an attitudinal shift on behalf of management and government as well as an attitudinal shift on behalf of Indigenous people in seeing their own capacity to negotiate being levered by land rights and native title. That has made a great contribution to improving these sorts of outcomes.

I want to ask three questions, if I may. I would like to take recommendations 3 and 4 in terms of the governance conference and recommendation 7 in terms of Siobhan's work with financial literacy and the issue of financial institutions. Could you give us a summary of what you see as the major underlying issues coming out of the governance conference. I would have thought access to education and those sorts of services was one of them. Perhaps you could do that in the first instance. Secondly, could Siobhan let us know how she thinks we could improve access to financial services and increase the capacity to understand financial services in remote locations, where normal access to literacy is a real issue and access to financial education is almost non-existent.

Mr Chaney—I am just looking in this submission for the recommendations on the governance conference. The importance of those recommendations is that to some extent they are counterintuitive to most people. My own observation—this is a personal observation—is that when we look at these things we tend to look at them with a quite assimilationist eye. The assumption is that as long as they all become like us, everything will be fine. What I think the governance conference material draws out is that communities must have genuine decision making power—that is the first point—and not just be a bland part of the general landscape.

We are talking about communities having decision making power. Katherine West is not the normal pattern for Australian health delivery but it is probably the appropriate pattern for that community. So it is different. You have to accept the difference. So there is a matter of real decision making power; there is the notion that you need culturally appropriate institutions—in other words, institutions that have the respect of those who are governed. It seems to me that is vitally important. You have to develop skills and capacities in education. I think that has been a terrific gap, not least in the Northern Territory, in the approach to these matters.

I wanted to leave with you one other bit of paper, which perhaps gets to what I think is the core of it. It is one page out of this very large report of the Gordon committee into domestic violence. Page 427 contains a diagram. When I was feeling politically rude, I said it was a bit like the Labor Party's education policy diagram, which did not seem to be working in a political sense.

Ms HOARE—The previous one.

Mr Chaney—So I make that admission. But I do draw your attention to this diagram in one way because it relates to the whole issue of governance, I think. It is a core truth as far as I am concerned. It looks to be a very confused diagram, but the most important thing about it, I think, is that it has a circle with a local action group. It has all these other agencies around it. The important thing is that government and the bodies which are there to assist Aboriginal communities are there assisting Aboriginal communities to do what they want to do and not to just impose government programs on them. The whole notion of governance is so central, because it means that you have within the community its own drivers towards its own future. If you have that, government programs can work. But we know they do not work if you come in and drop a government program on a community; it is just nonsense.

This is a very large report. I read it. I think it contains a lot of good sense. It describes the complexities of this particularly difficult field. When you get down to it, that is the core thing that it is about—how you isolate something which is owned by the community and driven by the community which then enables you to work with the community and to enhance its efforts. The examples we have given you, that we have talked about today, are examples of how you can get quite extraordinary results if that is what is happening—if you are backing what the community wants to achieve. These kids are matriculating and going to university because they want to get a good job. And there is enough of a community that wants those objectives to be pursued. Really, governance comes down to that—how you capture the decision making, the planning and the community having a vision of its future that government can support.

Ms McDonnell—One of the things we have done in this inquiry is cross-submit the submission we made to the Joint Committee on Corporations and Financial Services inquiry into the removal of banking and financial services from rural and remote areas. I would like to

refer you to that. I will quickly canvass some of the issues raised in that. I want to begin by saying that individuals without access to banking and financial services are severely economically disadvantaged in our society. We talk about capacity building at an individual level. One of the resources that individuals need to participate in the global economy we have created is access to banking and financial services. But that access is only one half of the equation.

The other half of the equation is the actual ability, the financial literacy, to be able to use those services. We call that informed access to services. The problem for Indigenous people located in remote Australia in particular is that they have neither of those two elements. So the points of access are seriously restricted. Similarly, the informed access is also restricted. So there are problems with financial literacy.

There are major problems with financial literacy in terms of people's access. That creates problems in terms of the kinds of fees that Aboriginal people are charged, which are pretty phenomenal for people who are generally low income earners. But a range of other implications also flow from that in terms of individuals' capacity to manage their money, to manage resources, and the capacity for economic development out in rural and remote Indigenous Australia. So for Indigenous organisations, there is the issue of access to banking and financial services. If you want to start a business in a remote community, where exactly do you take your money at the end of the day?

Centrelink has made a blanket decision to move individuals from cheque based to electronic based welfare payments. It is an across-the-board decision and it means that people out in remote communities are now facing the situation of being moved onto electronic banking without any face-to-face banking service provision. What do you do with a keycard out in a remote community, especially if you are in a desert where it hits 45 degrees every day? It will not last for a very long period of time. How can you access your money? How are you supposed to do any of those things that we take for granted in terms of being in a more urbanised environment? It is also about the financial literacy that we so often take for granted.

We are often told that Internet banking is going to be the solution out in regional and remote Australia. However, it is so far away from being a solution for people who have trouble accessing a phone let alone having an Internet portal in their home. There are myriad issues. I also want to stress that I do not think electronic banking is necessarily the solution on the ground for a lot of Indigenous people, who have very low levels of literacy and low levels of English proficiency. You have to think about complementary solutions. That is where things like the Rural Transaction Centres Program becomes so important.

The final issue that I want to pick up is the issue Fred has raised, which is the one we keep coming back to—economic development and whether it is impeded by land rights. One of the major areas that we looked at in the banking workshop last year and that we continue to look at is the on-lending program run out of Canada on native American land there. It is an extremely successful program which means that native Canadian people can actually on-lend and buy to finance their own housing. We do not have anything like that in Australia at the moment. I think that goes back to what Warren said, which is that banks are not looking at this in the right way. Partly this is about Indigenous people looking at creative solutions. Partly this is about governments looking at creative solutions. This is also about organisations and corporates

looking at creative solutions. There needs to be an incentive structure in place for that to happen.

Mr SNOWDON—Could you mention CDFI.

Ms McDonnell—The Community Development Financial Institutions Program has been operating in the United States for a period of time. It is a very involved program. I do not have time to go into all the details. One of the things it does is to create incentives for banks to actually on-lend to other specialised institutions to provide services to native Americans. So the way it works is that, under the Community Reinvestment Act, if you want to merge as a bank, if you want to complete any kind of takeovers, you have a brownie point system with a report card. The way you score points on that report card is by servicing remote or disadvantaged communities, a section of which is native American communities. The way the CDFI Program works is that it will actually give you brownie points not only for going out to communities yourself as a financial institution but for on-lending to other specialised organisations who are already operating out in those communities.

We think that is an excellent model for Australia. One of the reasons we think that is that there is a very specialised Indigenous credit union that operates in the north of the Northern Territory, the Traditional Credit Union, which services remote Aboriginal populations. It provides face-to-face banking services by Aboriginal staff for Aboriginal people. It does it in a way that is commercially viable, but they are not turning a huge profit. One thing we have been asking the four major banks to do is to be involved in on-lending to the TCU so that they can enter into a commercial arrangement whereby they will lend to the TCU. The TCU then has the kind of capital base to expand out further to try to generate some kind of economies of scale for servicing the Northern Territory or even wider than that. They can give a profitable return to the big four institutions.

CHAIR—What is the view of the corporate sector, with whom you have some linkages, at this point? How are they responding to that? We hear the corporate sector are interested in Aboriginal Australia.

Mr Chaney—If you are talking about banking, we are actively engaging with the banks at the moment.

CHAIR—Are they actively engaging with you?

Mr Chaney—Yes. We have a meeting with the banks next week.

Ms McDonnell—On 3 April we have a meeting.

CHAIR—There is a degree of wariness with our banks. I just wanted to have that on the table.

Mr Chaney—No bank as yet has picked up the example of the Bank of Montreal, which has \$1 billion out to native Canadian communities and a specialised section. However, at least one major bank sees itself as engaging more heavily. All of the banks are developing a commercial interest. We are getting them together to see what levels of common action are possible on this. Once again, this is a very good example of the fact that these are multifaceted issues. I give the

example of the United States, that bastion of free enterprise. This was exposed at the banking conference that we held. Siobhan described the process of switching to electronic banking and making very substantial savings—something like close to \$1 a transaction. Where that was done in the United States—I think I speak accurately—half the savings were collected by government to devote to dealing with the banking issues of disaffected communities. So even in the United States they have seen a need to intervene.

CHAIR—Cross-subsidise. There is not a pure market here.

Mr Chaney—This is a case of market failure, Mr Chairman.

CHAIR—If I have time, I want to come to the jurisdictional authority issue. I think of the MBS-PBS. That is a market failure, in a sense, but I will come back to that.

Mr Chaney—Did you want to supplement my answer to that, Siobhan, in terms of how we are engaging with the banks?

Ms McDonnell—With respect to one of the most recent proposals that we are going to take to the banks in the next few weeks, I have just drafted what I call a very preliminary banking code of conduct for servicing remote Indigenous Australia. That includes a number of very pragmatic, on-the-ground service delivery steps that banks can take. It is more about tweaking the system than anything radical. But they are steps that will make a reasonably substantial difference.

CHAIR—I have been thinking of the concept of a USO. No-one would be suggesting anything like that, I am sure.

Ms McDonnell—Rather than having someone out in a remote community having to go to their local bank branch, which is what a call centre operator will tell them they have to do in order to put a pin number on their keycard, it is about having the provision in the bank to actually send out the pin numbers and keycards and allowing bank accounts to be opened by fax rather than needing to walk into a local branch. So they are really basic service delivery issues, but they have a substantial impact on the way lives are lived.

Mr Chaney—Our plea, having regard to this example that you have been talking to Siobhan about, is not to see these matters of capacity building as matters which solely relate to Indigenous capacity or corporate capacity but to see them as often involving government and community et cetera. So there is capacity at all those levels that needs to interact.

CHAIR—We could go on at great length. I hope I can come back to you, Siobhan, but I need to go to Mr Tollner.

Mr TOLLNER—I am interested in following up the line about creating leases and what-not on Aboriginal land. I know it has worked well in the Northern Territory with the Alice Springs to Darwin railway. However, your focus seems to be on banks and governments.

I just wonder where the land councils fit into the picture. If the land councils decide that they do not want any leases on their property, it is all over. We have clearly seen in the Northern

Territory, particularly with the Northern Land Council, that they are anti-development. They do not want to see business occurring on their land. A good example is the mining industry. There has not been one new mine in the Northern Land Council areas since the introduction of the land rights act. I am just wondering what you are doing with the land councils to facilitate this.

Mr Chaney—I do not think we have had direct dealings with the land councils other than sharing some conference opportunities with representatives of land councils.

Mr Glanville—We have ensured that the land councils are at the table every time the banks and other parties are.

Mr Chaney—So we are trying to work with all sectors that are relevant to bring these new ideas into people's consciousness. I was encouraged by the presentations from the Northern Land Council on both employment and environmental management, which showed a rather broader approach than I expected prior to going to that conference. In terms of economic development and mining, again, I am not up to date with the latest statistics. I have recently read a whole series of statistics about mining tenement approvals in the Northern Territory and I thought there had actually been quite a lot of movement in the last 12 months. But I am not in a position to give you chapter and verse on that.

Ms McDonnell—The Northern Land Council is quite an interesting example because they have very successfully negotiated the railway leases and have quite a substantial employment program attached to that. My understanding—this is based on the conference that Fred and I just attended—is that they are very heavily involved in the negotiations about the gas pipeline as well and that aspect of economic development. I think there is a section of the Northern Land Council that is devoted primarily to issues of economic development as well.

Mr TOLLNER—I am interested that there are only those major projects like a north-south railway or a major gas line that seem to be able to get through that process of the land council. There are little things, like the fellow who wants to get a house and set a lease up. There seems to be not one single instance of that happening anywhere in Australia.

Mr Chaney—There are a lot of cultural and historical issues, which I am sure we do not have time to canvass, if you raise that in the context of native title. In the land rights act, you do have provisions whereby, with the consent of the traditional owners, you can have leases of the sort that support the railway line. There is actually little equivalent provision for native title. I think there is a real legislative gap in terms of providing the opportunities that do exist under the land rights act but which, I think from the drift of your question, you would say have not been adequately utilised or utilised at all. With respect to the Torres Strait Islander man who says, 'Well, I've got my native title but I want a house,' you have to start with the proposition of saying they want to own something. If they do want to own something, you have to find the means of ensuring that they can actually own something in that context.

Mr TOLLNER—I have looked at your recommendations. To me, it seems that there are special recommendations here for Indigenous people. I just wonder how Reconciliation Australia perceives reconciliation working when you try to make a special case out of a particular part of the community. Does that increase the chasm between mainstream Australia and Aboriginal Australia or reduce it?

Mr Chaney—That argument has been around for at least 30 years, to my knowledge. It is a serious argument. The most frequently raised issue with me when I was sitting in the chair you are sitting in and had ministerial responsibility was the white backlash, if I can call it that, against Aboriginal educational allowances. I think that is the sort of thing you are raising. I think it is a serious issue. But the fact remains that we have a set of social statistics relating to Indigenous people. Are you a Northern Territory member?

Mr TOLLNER—Certainly.

Mr Chaney—We recently had the Collins report on education in the Northern Territory, which I would have thought would make every Northern Territorian blush to his roots. That is an expose of the failure of government, which received large amounts of Commonwealth funds, weighted because of the Indigenous community of the Northern Territory. You are a very large consumer of Commonwealth funds but you get additional weighted funds because of the remote communities. The total failure to utilise those funds in a way which has produced educational outcomes is a disgrace. If I may say so, to take the view that there does not need to be a special effort to do something about the pathetic failure of Indigenous education in the Northern Territory would be an extraordinary position for any member of the community to adopt. I would have to say that whilst they are real issues, and I have had painful contact with them over a full generation now, I think when you lay out the facts, there are issues which, in the interests of whether it is the Northern Territory or Australia as a whole, we simply must address. Reconciliation Australia's position is quite clear. Until we do something about the appalling social circumstance of too many Aboriginal people, we cannot have a reconciled Australia.

CHAIR—We had the pleasure of Bob Collins's company in Darwin before Christmas. I would have loved to ask about jurisdictional authority. I have made my point about the MBS and PBS. In a sense, you would regard that as an example of where some of this jurisdictional authority has been altered to try to adapt to what I would regard as some sense of fairness in the allocation of resources.

Mr Chaney—That is the Katherine example?

CHAIR—Yes.

Mr Chaney—That is a classic example of where there was total failure to service that part of the community.

CHAIR—The next part is the downward accountability, which you mentioned, which I presume is about the accountability of everybody and the reverse accountability, if you like. Is that what we are talking about?

Mr Chaney—Yes. I think for the last 20 years there has been an enormous focus on the accountability of Aboriginal people. The audit function must be one of the most expensive elements of Aboriginal administration. We have had remarkably little focus on the audit function of those agencies which are substantially financed to produce results. To take a current example, Minister Abbott would be dissatisfied—that would be my understanding—with the outcomes achieved under current employment programs for Indigenous people and would be looking for better outcomes by using different means. That is an example of what I would call downward accountability. It is all very well to have programs. The Commonwealth has spawned

millions of programs over my lifetime. If they do not work, who is accountable—the victims or the people being paid to run the programs?

CHAIR—At the very least, it is both parties.

Mr Chaney—It has to be complementary, Mr Chairman.

CHAIR—And government needs to be accountable.

Mr Chaney—That is right.

CHAIR—On behalf of the committee, I thank Reconciliation Australia very much. We could go on at great length. We have really only scratched the surface of the issues.

Mr Chaney—Chairman, if your officers, in the course of working on this, have queries or matters they wish to raise, we are of course very happy to collaborate with your officers in providing explanations or other matters that may be of assistance to you.

CHAIR—I am sure that will be taken advantage of.

Ms HOARE—And good luck with your continued work.

[5.55 p.m.]

CLARKE, Mr Keith, General Manager, Aboriginal Hostels Ltd

LANE, Mr Russell, Deputy General Manager, Aboriginal Hostels Ltd

CHAIR—Welcome. I remind you that this is a committee of the parliament and that there are obligations that go with it.

Mr Clarke—If you do not mind, Mr Chairman, I will make a brief opening statement. We work in a Commonwealth company that has provided low-cost temporary accommodation to Aboriginal and Torres Strait Islander people for almost 30 years this year.

CHAIR—I know it well.

Mr Clarke—We aim to provide temporary accommodation that will assist Aboriginal and Torres Strait Islander people to improve their standard of living in order to achieve health, education and employment related goals. Currently, we have a national network of 128 hostels. The company operates 50 of the hostels and we fund 78 communities to run their hostels. We fund the organisations through our community hostel grants program. That involves over 3,000 beds each night and over three million meals each year. Each resident is expected to pay. No alcohol or drugs are allowed on the premises. We believe it is a safe and friendly environment to stay in. We have a number of clients: transients, who come to towns and cities accessing services and seeking permanent jobs or homes; medical transients, who come to towns for medical reasons and need somewhere to stay; substance use rehabilitation clients; aged and nursing home clients; secondary students; the homeless; and, in a new category, those getting renal dialysis. As a small agency, we believe we must continue to develop partnerships with communities and state and federal governments to provide the appropriate accommodation.

We encourage communities to operate their own hostels. That is why we have 78 of them. They employ their own staff and they receive funds upon a written performance agreement that is negotiated each year. We see the following as key points with capacity building. We believe that more partnerships should be established between government agencies and the communities to address Indigenous community capacity issues. One example I might raise is the substance use-misuse issue in Port Augusta in South Australia. We can help with the accommodation, but the community must be able to secure support from other important agencies for funding their programs and their capital to purchase or lease the property. It is no good having these residents sitting in a building and looking at four walls. So the requirement was that we needed to set up something in Port Augusta. The CEOs of those agencies should support partnerships across each agency. Some agencies have other priority needs. In the case of Port Augusta, we have trouble getting some agencies to attend meetings. One agency may believe that prevention has more priority than addressing the actual issue of alcohol abuse. Another agency may just be too busy with other things on their agenda. I am not criticising these agencies, but I am pointing out the difficulties of getting them together. Aboriginal Hostels does not have the funding to do it alone. The whole of government approach may address some of these concerns. We hope that they can, because we are a small but important player and we believe we are a gap provider.

Another issue is that some increased capital funding should be made available to support community infrastructure for existing and new partnerships. Many hostels and communities operate from facilities that require substantial capital funds to maintain occupational health and safety standards and those communities do not have those funds. Consideration should be given to funding existing or new capacity building projects that fall outside the current responsibility of individual agencies. There is an organisation in Coolgardie that runs a secondary student hostel. Their building is an old convent building that is 100-and-something years old. It is unsafe. They have nowhere to go for funds. We have put them on notice that we have defunded them because we believe we cannot support an organisation in an unsafe building.

The expertise of agencies and organisations with a majority of Aboriginal and Torres Strait Islander staff should be recognised and utilised by state and federal agencies. Aboriginal Hostels have 80 per cent Indigenous staff. We believe we are a player in that game. Access to appropriate training is an ongoing need for most community groups. We see the development of ATSIC's registrar of Aboriginal corporations as helpful, particularly in terms of corporate governance training for management committees. We are invited to attend them quite regularly.

We have many successful partnerships. One example is the Department of Health and Ageing. The department allocates funds to us for operational costs for community aged care and nursing homes. They have given us additional funds to assist communities to achieve accreditation and certification. They have even come back a third time and asked us for our assistance in providing with funds to help with the construction and major maintenance of some of those buildings. We can do more partnerships with the department of health for medicals and renal dialysis. We are operating two renal dialysis hostels in the Northern Territory. One is in Alice Springs and one is in Darwin. Both are successful. We have had residents well enough now for transplants. For any further needs in other states, I think we need the support of the state and federal governments. I believe these partnerships will provide further benefits to all our clients. So that is my opening statement. Russell and I are willing to answer any questions you may have.

CHAIR—I am really interested in your training, including the corporate management training with your boards. What form would that take? How does it apply? You have a great diversity. There are 78 hostels, or a number like that.

Mr Clarke—There are two types of training that we take on. Russell can add to this. One type of training is that we take hostel managers on training. We pull them off the street and say, 'Can you run this hostel?' So they need to be trained in how to handle residents, how to handle the books and the business and how to handle staff. That is the type of training we give to all our staff. We also invite the community hostel managers to come and attend those courses. There is another course where ATSIC's officers or registrar goes out and actually trains committees as to how they should operate. Some communities have difficulty in defining, 'I'm the manager,' and saying, 'I am a part of the committee.' So that is where we believe some of that training is important.

CHAIR—They visit and offer in-house training?

Mr Lane—They do. They often go to communities like Alice Springs and they invite management committees in from surrounding areas. They are doing that on a rotational basis around Australia. That is important to us because we need committees and management

committees to understand their responsibilities. As most of you would know, you get a few key people, especially in regional towns where you have a few people who are on numerous committees all over the place. You can tackle them in one go about corporate governance issues, their responsibilities as directors, conflict of interest issues and all of that. By contacting two or three people sometimes you are actually getting into three or four different organisations.

CHAIR—Effective leadership across, as you say, a number. How long would they run?

Mr Lane—They are usually day-long courses. They have modelled it on the Australian Institute of Company Directors. It is a truncated and simplified version of what we put each of our directors through when they come onto our board.

Ms HOARE—I am interested to know what kind of response you are getting from the corporate sector. You talked about the hostel in the old convent that you just had to let go. We cannot find in 50 or 70 years each of the hostels having been given away because they have not been able to maintain them or they did not reach occupational health and safety standards or we did not have the funding to support them. I know that we work closely with you and we were trying to get some corporate funding to upgrade Kirinari student hostel. It was pretty difficult. We did not get the corporate funding. How are the processes going? If it is working, why is it? If it is not, why isn't it? I am very sorry, but I will have to read your response in the *Hansard*. I am due to speak in the war debate.

Mr Clarke—I am quite happy to respond. It is quite difficult to do so. We have a role in trying to coordinate those community organisations to seek government and corporate assistance. We play an advising role, particularly in the case of Coolgardie. We have organised, and Russell has attended, a meeting with the state minister there to come up with some sort of solution to try to help that community. But it is difficult.

Mr JOHN COBB—Mr Clarke, I am interested to know where your hostels are. I realise you have a lot of them. Do you concentrate on regional centres or are a lot of them in Sydney, Melbourne, Brisbane and Darwin?

Mr Clarke—Most of our hostels are throughout Australia.

Mr JOHN COBB—I am wondering what sort of criteria you use as to where you put them.

Mr Clarke—The focus is usually out in the rural areas or up in the north. As years have gone by, we have found that with Melbourne and Sydney our clients have other sources. Even though we have one or two hostels in Melbourne—one is for the homeless and one is for transients—any future development in Melbourne would not take priority over the rural and country areas.

Mr JOHN COBB—But is it basically towns that people gravitate to, or is it more remote? Is it more the regional towns?

Mr Clarke—Mainly the hubs or the regional towns. We are about to build a hostel in Tamworth so that the outback New South Wales people, rather than coming to Sydney to go to hospital, can go to Tamworth base hospital.

Mr Lane—A lot of the issues that we get from Aboriginal communities is that we should establish hostels where there are large Aboriginal populations. At the moment, for example, the most recent one I can think of is Ipswich. We get a lot of ATSIC councillors and other people saying, 'Why haven't you got a hostel in Ipswich? There are a lot of Aboriginal people in Ipswich.' Our view is that where Aboriginal people live is not necessarily where we need to locate a hostel. That is where they live. They do not need to come and live in a hostel. It is about people who need to come into regional hubs.

Mr JOHN COBB—Near a medical centre or something.

Mr Lane—Yes. To access medical, employment or legal services. They do not necessarily need that in the communities. Conversely, we sometimes cop some criticisms that AH is a very urban based organisation because we do not provide many of these services in remote communities. But in fact our hostels in urban centres are usually serving remote community people. They do not need a hostel at Borroloola. They need it in Darwin. It is for those people going in.

CHAIR—That gives a very good definition in terms of the catchment. It is interesting.

Mr Lane—There are a few in rural communities, mostly to do with aged care or something specific like that.

CHAIR—I will use Port Augusta as an example, because it is an excellent hostel, I have to say. It had some battles in the early years. The Lois O'Donohue, I think we call it.

Mr Clarke—That is right.

CHAIR—Recently we were there with Senator Abetz. Is he your minister?

Mr Clarke—He is one of our ministers.

Mr Lane—He is our second minister.

CHAIR—He went there with one of the ministers. I may have the wrong minister. I apologise to the appropriate minister. It really is an excellent organisation, as is the spirit of the people. You may recall that we are interested in the substance abuse issues in Port Augusta, which you read about. There are a variety of views about it. It is very difficult to get that cooperation, which is really about the capacity of a total community to actually come to grips with an issue. You made a couple of suggestions. Without being too specific about Port Augusta, in terms of things that have worked for communities where you need to bring people together, you have a good reputation, from where I sit anyway. Is there anything that has particularly worked for you in terms of developing these partnerships?

Mr Clarke—When you deal with other government departments, you deal with individuals. You get some good individuals and some not so good individuals. Sometimes we have just been frustrated. We want to set up a hostel in Port Augusta. We know there are drunks everywhere and we need somewhere for them to stay. We are quite happy to come in with some of our funds for accommodation. Sometimes we say, 'Well, maybe if the department of health gave us the

program funds, we could have a memorandum of understanding. We will set up this hostel. We will use these program funds and we will account to you about the program funds.' The organisations can report to us about accommodation and report to us about the program and then we can report back to the department, in much the same way as the agreement and the partnership we have with aged care. Like I said, some individuals think that prevention—

CHAIR—It comes down to who is prepared to work with you.

Mr Clarke—Yes, who is prepared to work with us. Sometimes we hope that would happen.

CHAIR—Sometimes it happens and sometimes it does not. I do not have any more questions. Thank you very much for today's presentation. From my experience, you are a great organisation. I wish you all the best with it. I know you have your battles from time to time. You have all these organisations. It takes some scrutiny or a bit of extra effort for some, but it is going pretty well, from my experience. Thank you.

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

That this committee authorises publication, including publication on the parliamentary database, of the proof transcript of the evidence given before it at public hearing this day.

Committee adjourned at 6.14 p.m.