



INDIGENOUS LAND CORPORATION
ABN 59 912 679 254



LAND ENTERPRISE AUSTRALIA PTY LTD
ABN 32 084 704 423

30 August 2002

Mr Barry Wakelin MP
Chairperson
House of Representatives Standing Committee
on Aboriginal and Torres Strait Islander Affairs
Parliament House CANBERRA ACT 2600

CAPACITY BUILDING
INQUIRY
Submission No. 17

Dear Chairperson

Parliamentary Inquiry into Capacity Building in Indigenous Communities

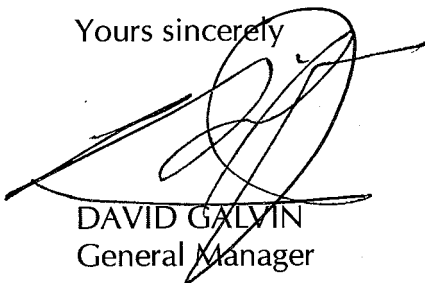
Thank you for invitation to make a submission to the above Inquiry.

The ILC has a significant interest in the proceeds of this Inquiry and our submission is attached.

We would also welcome the opportunity to present to the Committee if this would assist the Committee in its deliberations.

Should you have any enquiries regarding this submission or wish to arrange for us to present to the committee please contact me on 07 38544600.

Yours sincerely



DAVID GALVIN
General Manager



**SUBMISSION OF THE
INDIGENOUS LAND CORPORATION**

**HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ABORIGINAL
AND TORRES STRAIT ISLANDER AFFAIRS**

INQUIRY INTO CAPACITY BUILDING IN INDIGENOUS COMMUNITIES

1. Introduction

Capacity building is of substantial interest to the Indigenous Land Corporation (ILC) given that some 15.19% of the Australian landmass is in Indigenous hands. Clearly, the capacity building needs of Indigenous people to improve their quality of life from their land are something that is beyond the resources of the ILC. This is a major reason for the ILC making this submission. As outlined later in the submission, it was never the government's intention that the ILC should have other than a supplementary role in meeting the needs of Indigenous people. That this was clearly the intention of the legislators is reflected in subsection 191F(3) of the *Aboriginal and Torres Strait Islander Commission Act 1989* (the Act).

The functions conferred on the Indigenous Land Corporation by this Act are in addition to, and not instead of, any functions conferred on a person or body by or under:

- (a) any other law of the Commonwealth; or
- (b) a law of a State or Territory.

A significant proportion of Indigenous-held land was acquired through statutory process and without reference to Indigenous needs. There are numerous reasons that have contributed to the fact that, after more than thirty years, neither buy-back schemes nor the State/Territory regimes have produced a viable Indigenous land base. The inefficiency of land reclamation schemes for Indigenous people, and developments in native title highlighted the need for a body to assist Indigenous groups acquire and manage land to provide real benefits.

The ILC is an independent statutory authority, which was established in 1995 to assist Aboriginal peoples and Torres Strait Islanders to acquire and manage land in a sustainable way to provide cultural, social, economic or environmental benefits for themselves and for future generations.

In the Act's Explanatory Memorandum, the legislation was described as an historic step "which recognises the injustice flowing from dispossession and goes some way towards redressing it by providing a means for Indigenous communities to acquire, manage and maintain land."¹ The primary aim of the legislation was to rebuild an Indigenous land base and maintain it for future generations.²

The legislative framework within which the ILC operates reflects the unique place of land in Indigenous culture and existence. For Indigenous peoples, land is of great importance as it is central to their spirituality, culture and kinship systems. Amongst other benefits, land ownership and use can play a pivotal role towards building Indigenous community capacity. The systemic disadvantage of Indigenous peoples, which is a product of the cumulative and combined effects

¹ House of Representatives, Tuesday 30 August 1994, *Hansard*, p588

² House of Representatives, Tuesday 28 February 1995, *Hansard*, p1109

of dispossession and discrimination, clearly indicates that there is a need for a strategic 'whole of government' approach to capacity building in Indigenous communities. Due to the complexities and differing circumstances of Indigenous people across the country this strategic approach needs to be coordinated, cooperative, responsive and flexible, involving multiple agencies to deliver services appropriately and to ensure that respective policies and funding priorities are complementary.

The challenge is to overcome barriers to community capacity building. These exist at the individual, community, representative organisational and at the Government level. A 'whole of Government' approach, which requires strategic alliances between Commonwealth, State, Territory and Local Government agencies, will ensure that positive outcomes for Indigenous communities are delivered successfully.

The ILC's legislative purpose and functions, the role of land in Indigenous cultures and its potential for social and economic development give it a unique role to act as a conduit for a 'whole of government' capacity building strategy and thus assist Indigenous land holders to develop their capacity and to ensure that they derive benefits.

1.1 Functions and Powers

The ILC's core functions are land acquisition (s. 191D) and land management (s. 191E).

The ILC's functions and powers have necessitated the development of a best practice approach to facilitating capacity building with Indigenous communities and the development of strategic alliances with a broad range of agencies in order to address Indigenous peoples land acquisition and management needs.

Capacity building elements of the ILC's legislation include:

- 'Consultation on the National Indigenous Land Strategy: must have regard to the desirability of consulting the Commission about such matters.... and may consult such other persons and bodies as the Board considers appropriate' (s. 191N(3)(a and b)).
- Land Management function of the ILC: 'to carry on, or arrange for the carrying of land management activities in relation to Indigenous held land under agreements with the holders of the land' (s. 191E(1)(a)).
- The ILC must give priority to:
 - 'ensuring that as far as practicable, Aboriginal persons or Torres Strait Islanders derive social or cultural benefits as a result of the performance of those functions' (s. 191F(2)(aa)).
 - 'maximising the employment of Indigenous peoples and the use of goods and services provided by businesses owned or controlled by Indigenous people' (s. 191F(2))(b, c)).

- The functions conferred on the ILC by the Act (s. 191F(3)) are 'in addition to, and not instead of, any functions conferred on a person or body by or under: a) any other law of the Commonwealth; or b) a law of a State or Territory.'

Hence, in its involvement with Indigenous landholders the ILC focuses on their desired outcomes and seeks to achieve this through employment and training and the development of networks with other service providers as well as through assisting Indigenous landholders to access the resources of other agencies.

The ILC's key policy document, the National Indigenous Land Strategy (NILS), reflects its legislative commitment to capacity building by fostering a partnership approach and providing support for groups to develop their own plans to address their particular and regional land needs.

The NILS specifically states the following:

- *The ILC is committed to providing a professional and focussed coordination role, so that it can assist Indigenous landholders to gain access to the resources, advice and expertise required to manage their land in a sustainable way (NILS 2001, p8).*
- *This (land management) involves the active participation of the ILC in dealing with land management issues as a service, rather than simply a funding provider. An intention of the Act is that the ILC must assist Indigenous people to make full use of the funds and programs available from other agencies and be involved in the provision of technical and professional advice, information and training. (NILS 2001, p11).*
- *The ILC's objective is to assist Indigenous people to manage their land in order to derive cultural, environmental, economic or social benefits from it by building capacity for self-reliance and supporting enterprises that deliver sustainable outcomes. (NILS 2001, p20).*
- *The ILC will provide Indigenous groups with information on coordination, available funding and support programs in their region. The ILC will coordinate the delivery of services to achieve maximum benefit for local Indigenous landholders with other agencies. (NILS 2001, p22)*

1.2 The Indigenous Land Corporation and Capacity Building

The previous section highlighted that capacity building approaches are enshrined in the ILC's legislation and national strategy. Capacity building for Indigenous landholders is also central to the assessment and delivery mechanism that the ILC has developed in its land acquisition and land management processes.

The ILC is currently boosting its commitment to assist Indigenous groups build their capacity with the formulation of a formal Capacity Building Strategy. The ILC's Capacity Building Strategy has three key elements. Firstly, its primary goal is to assist Indigenous land owning groups to determine their own values and priorities in managing and operating their land and enterprises more efficiently and effectively. Secondly, to enable this the ILC actively evolves its processes through field testing and comparative research, to develop a best practice approach to build its own capacity in service delivery. Finally, a key supporting plank of this best practice approach is to create strategic networks with appropriate Commonwealth, State and Territory agencies to jointly provide appropriate programs and resources to build and strengthen the capacity of Indigenous land-owning groups.

An important aspect of the ILC's community capacity building process is to provide access for Indigenous peoples to appropriate extension, education and training programs. The ILC's Extension, Education and Training Strategy (EETS) pilot program is developing an integrated, nationally accredited training system that will support Indigenous land owners to maximise the benefits they aspire to achieve from their land and equip them with the skills and knowledge to enhance the land base on which they operate.

The ILC also fosters capacity building through its coordination role, land acquisition and management processes and activities. The ILC provides information to Indigenous groups regarding available funding and support programs in their region and initiates capacity building activities under its land acquisition and management programs to promote social, cultural, environmental or economic benefits for Indigenous people.

The ILC has become increasingly aware that land ownership, of itself and without capacity building, does not necessarily produce the economic, environmental, cultural and social benefits intended. Consequently, the ILC has increased its commitment to the key role it must play in building capacity of Indigenous groups, so benefits can be realised. Within our limited resources the ILC is increasingly giving focus to building capacity in Indigenous groups so that they can benefit from land ownership, however, the task is well beyond the resources of the ILC alone. Significantly programs provided by other agencies either need some fine-tuning or are not accessed by those who are in need of capacity building assistance.

Our research highlights that the maximum benefit per dollar of government expenditure could be obtained through a whole of government approach to capacity building. Our research further indicates that the essential problem in maximising outcomes and indeed even identifying needs and priorities has been the plethora of agencies and processes and the diversity and complexities of dealing with communities and identifying their aspirations and priorities. As programs are aimed to provide a benefit and individuals and communities have very real needs it is essential to establish a linkage or conduit between the two.

The ILC, on the basis of its land acquisition and management functions can play a vital role in maximising the benefits for Indigenous people of agency programs. In addition, its national strategy and processes are grounded in actual experience of the needs and aspirations on Indigenous people and in particular those who hold interest in land.

Section 2 specifically addresses the terms of reference.

2. Responses to the Terms of Reference

2.1

A) Community members to better support families, community organisations and representative councils so as to deliver the best outcomes for individuals, families and communities.

Government programs dealing with Indigenous people frequently consider the term community as a generic term for homogenous groups of Indigenous people across the nation. The fact is the composition of the groups is frequently diverse as their interests, structures, aspirations and priorities. Therefore, there needs to be a greater consciousness that policies and programs need to be flexible so as to accommodate particular community structures and diversity.

The use of regional facilitators as a link between communities and the ILC would appear to be a very effective method of identifying community needs, aspirations, skills and resources available to that community.

Service delivery methods and programs designed for use by the general population are often less than readily accessible to Indigenous people who share a history and culture of alienation and marginalisation. The ILC argues, however, that it is with these marginalised groups that capacity building has the greatest potential to make a real improvement. Community capacity building can be used as a base to strengthen a 'community's' future economic development, rather than just getting people off welfare. It is important, however, for Agencies to develop constructive and meaningful enterprise employment and training programs that will provide long term benefits and assist Indigenous peoples establish business ventures so they can become self reliant. The ILC's Land Acquisition and Land Management programs, with their focus on capacity building combined with co-coordinated support from other agencies can provide a pathway for Indigenous peoples to move away from welfare dependence to self reliance.

Community capacity building has the potential to play a key role in assisting individuals and groups building on their abilities through specifically designed government initiatives. One aspect of the ILC's approach to capacity building is to focus on individuals and families through our Education, Extension and Training Scheme. The four main initiatives of the scheme are leadership training, youth training, skill specific training and personal development training. This approach acknowledges that community structure and process

training requirements and priorities vary depending on the group and its circumstances. For instance, depending on the group's situation it may be a priority to do leadership training, whereas another group could already have good leaders and might want to assist youth to ensure it is building the capacity of the leaders of the future.

The success of capacity building requires training to be conducted for a specific purposes providing outcomes and opportunities for the participant at its completion. There is a need for capacity building efforts to be linked to enterprise development schemes. This is vital in securing the real outcomes for which the ILC was established. It is difficult to see how the situation of other agencies would be different. Where the ILC acquires land based enterprises it seeks to enter into a capacity building partnership with the land holding group to develop its skills and knowledge so that it can run the business and derive benefits from land ownership and use.

Barriers to Capacity Building in Indigenous Communities

A number of barriers exist to capacity building in Indigenous communities:

- Lack of access to technical and professional advice, support and information.
- Lack of capital.
- Lack of skill and knowledge.
- Lack of planning.
- Attitudes/ approaches.
- Location.
- Encapsulation within a plethora of Commonwealth and State Departments and agencies.
- Ability to comprehend and manage consultation with agencies.
- Inappropriate service delivery.
- Ability to facilitate programs.
- Programs not delivering benefits where they are needed.
- Fraction/Division of programs.
- Social problems.

For a program or project to be successful, these barriers must be considered in the design of any capacity building initiative.

Successful Capacity Building in Indigenous Communities

Successful capacity building programs and projects are built around commitment, resources and skills. Other ingredients include:

- Coordination and communication.
- Holistic approach.
- Planning for and reacting to different needs.
- Community defined needs, goals and outcomes.
- Supported community governance structures and leaders.
- Supportive and caring families.
- Improved facilitation of service and improved service delivery.
- Existing skills, resources and commitment mobilised to build and improve networks.

- New approaches and skills aimed at building sustainable local communities.
- Concurrent participation and action.
- Goals for achievable outcomes.
- Community and Government responsibility.
- Social capital of the community.
- Flexible approach.

2.2

b) Indigenous organisations to better deliver and influence the delivery of services in the most effective, efficient, and accountable way.

In an era with an increasing focus on regionalisation and devolved program and service responsibility, Indigenous organisations play a key role in delivering of government services to Indigenous people. The effectiveness of their service delivery influences the success of the community and subsequent benefits to communities, families and individuals. Community capacity building requires the community to have effective, efficient and accountable governance structures and leaders. These do not always exist. Their absence creates problems for communities and government agencies when trying to deliver services to groups in need.

The requirements placed on agencies to account for expenditure and to satisfy performance measures are quite different priorities to those of the community intended to benefit from the program. Where a community does not necessarily own a project such accountabilities will have little relevance and the project, in some ways, mirrors a welfare approach. Where this occurs it is contrary to the very nature of capacity building. It is the ILC's essential role in land matters that gives it a practical base for developing ownership within communities. Should the ILC be able to work with regional facilitators who have specialist knowledge of the community and the region then the ownership that would be developed can be expected to increase community interest in obtaining the best possible outcome for the project including value for money. Many communities exhibit a concern for value for money but current processes, despite best intentions, do not provide for accountability to the community.

There is a real need for the development of organisational cultures based upon delivering government services. This can only be achieved through adequate corporate governance training.

ATSIC Regional Councils are institutions that need to be supported. Their legislative responsibilities require them to develop regional plans. These plans address a wide range of portfolios. When developed properly these are effective tools; they give a voice to community needs and can be used to quickly direct Agencies to the activities that they should support to deliver real benefits to the Indigenous peoples of the region. All agencies would benefit from supporting ATSIC Regional Councils to develop comprehensive plans. Training and other

support mechanisms could assist in ensuring that ATSIC regional plans meet a high standard across the country.

Effective and efficient service delivery to Indigenous communities, requires appropriate consultation methods, participatory planning and the opportunity for community involvement in decision-making. The development of skills in the use of these tools should be a focus of capacity building for Indigenous organisations. Consequently by building their capacity and developing appropriate methods for developing, assessing and responding to communities accordingly, and ensuring community ownership of the project, Indigenous organisations will be better able to deliver effective, efficient and accountable services.

2.3

C) Government agencies so that policy direction and management structures will improve individual and community outcomes for Indigenous people.

The ILC's solution package concept, which tailors projects to client needs and actively seeks a coordinated effort, is a model that may assist other agencies to maximise the benefits intended by programs. The ILC stands willing to take a lead role to assist 'communities' to develop their capacity and ensure that this is achieved through an appropriate 'whole of Government' strategy. Most recently, following our involvement with the Natural Resource Management and Primary Industries Ministerial Council's Reconciliation Action Plans, the ILC has written to the Honourable Dr Sharman Stone MP calling for a 'whole of government approach' to capacity building and natural resource management issues on Indigenous-held land. This proposed approach draws heavily on the ILC best practice processes and places emphasis on both its ability to act as a capacity conduit and joint agency effort to get more Indigenous land management facilitators on the ground.

The Commonwealth of Australian Government's (COAG) commitment to reconciliation in November 2000, recognised the need for improved program flexibility and co-ordination, and developing partnerships and shared responsibilities between communities and agencies. While developing a strategy focused on local communities and outcomes COAG has acknowledged that, at present, existing structures are less than adequate and has therefore established a number of taskforces to address these inadequacies. COAG's initiative provides an opportunity for the ILC to work with range of Natural Resource Management agencies and develop a 'whole of government' approach and thereby match Indigenous peoples needs with appropriate programs to provide maximum benefits to Indigenous peoples.

It is arguable that the sheer number and diversity of discrete policy and program initiatives itself militates against any significant measure of response at the Indigenous community level. A constant community complaint is of the number of agencies with which they have to deal on a routine basis, each having their own policies, programs, procedures and timelines. This is very evident in the land management field but despite this multiplicity of programs it is often

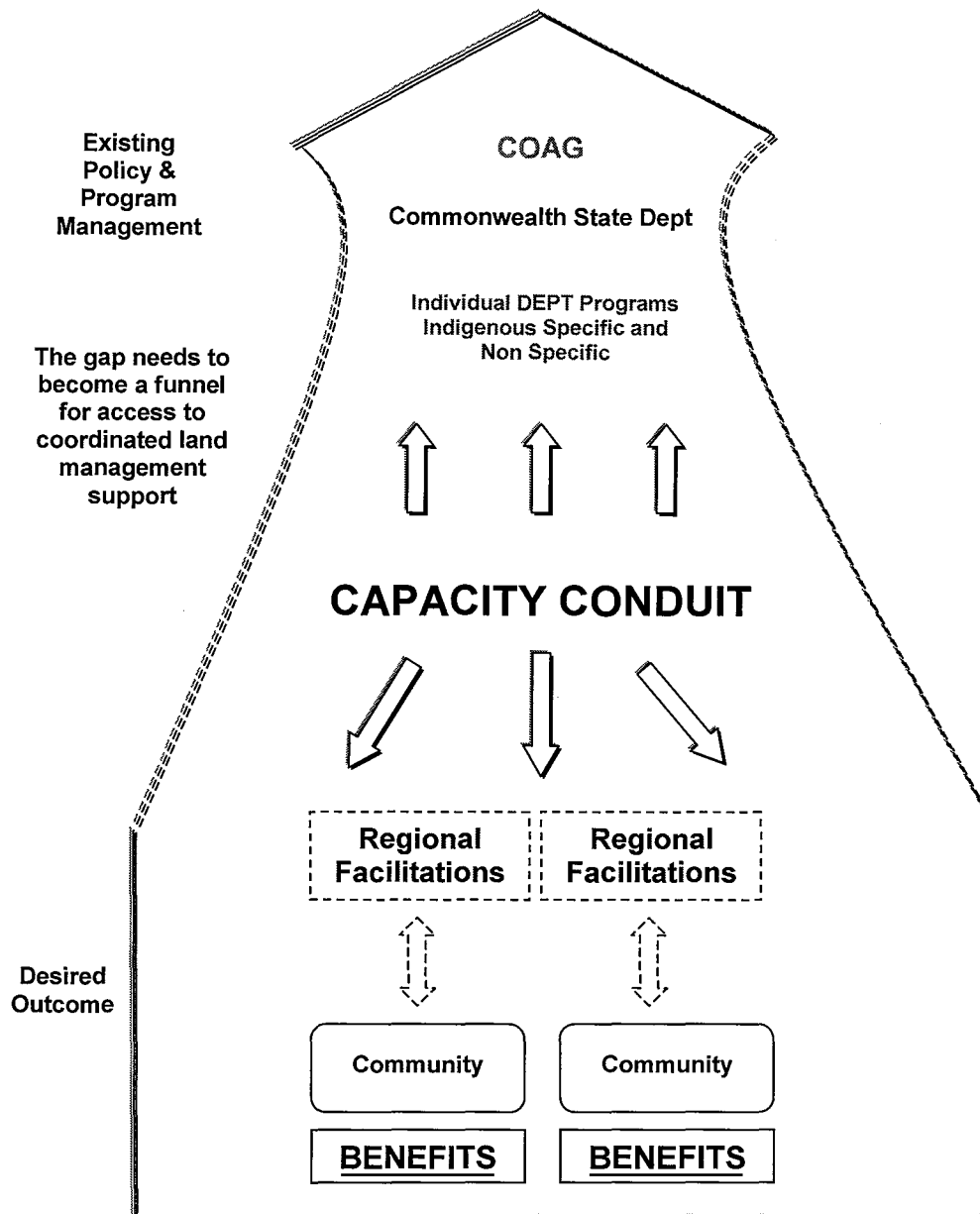
difficult to secure adequate agency land management support for the land base that is so crucial in providing a basis for Indigenous development. This strongly argues for holistic and timely coordination.

Policy and program suitability issues are a major problem in the development of effective working relationships between agencies and communities. Other core problems affecting the desired working relationship between the Government and the community include a lack of assistance for communities to plan development for their benefit through plans they "own".

The ILC believes the 'whole of Government' approach could involve the use of the ILC as a capacity conduit thus providing a mechanism for agency programs to achieve greater focus on communities and meaningful outcomes. The other key element of this model is regional facilitators. The idea of for a whole of government use of regional facilitators with specialist knowledge of communities and agencies has arisen in part from ILC experience and from the successful placement of a land management facilitator funded by the Natural Heritage Trust in the ILC's Eastern Division.

The following diagram seeks to demonstrate that to be effective COAG's much needed strategy requires a capacity conduit. This conduit has two parts:

- (a) An effective link between various agencies and their multiple programs; the ILC is well placed to fulfil this role.
- (b) Regional facilitators to work with the communities and the ILC to develop partnerships with defined responsibilities for both communities and agencies.



The ILC is well situated to lead the implementation of this model. The 'capacity conduit' model provides an integrated approach for communities, ATSIC Regional councils, ILC, other agencies to address NRM issues and build Indigenous community capacity. The ILC remains eager to pursue this model with other Commonwealth, State and Territory agencies.

Barriers for Government Agencies

- Lack of a national coordination strategy.
- Lack of institutional structures designed to foster a culture of service to and understanding of Indigenous clients.
- Lack of effective training and support for staff working with Indigenous clients.

- Uneven cross-cultural skill and knowledge among agency staff.
- Inappropriate organisational structures for implementing policy and delivering programs to Indigenous landholders.
- Lack of Indigenous involvement in planning and implementation (partnership approach).
- Program division – lack of coordination and linkages.
- Top down approach with little feedback and involvement at ground roots community level to deliver services directly relating to needs.
- Lack of long term planning and commitments.
- Effective evaluation and monitoring process.
- Ineffective and lack of use of regional councils and their plans.
- Dysfunctional communities, families and organisations.
- Insufficient understanding of Indigenous group dynamics including those that have resulted from historical marginalisation.

3. Conclusion

The ILC is able and willing to play a pivotal role in building the capacity of Indigenous peoples and to act as a conduit for a 'whole of government' approach to addressing problems and overcoming barriers faced by Indigenous communities. For capacity building to be effective, government agencies need to significantly alter their approach to working with Indigenous people and to ensure that new mechanisms replace those that are grounded in a welfare mentality. Capacity building initiatives must focus on developing families and individuals to build strong communities that can deliver positive outcomes for individuals, families and the community. In order to assist service delivery to Indigenous communities, emphasis should be placed upon corporate governance training for Indigenous organisations and increased support for Regional Councils. The success of capacity building in Indigenous communities will ultimately depend on communities, Indigenous organisations and the governments' commitment to the cause and their ability to work together to provide and participate in effective and efficient capacity building initiatives to improve the quality of life of those for whom the programs are designed and funded.