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HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON ABORIGINAL AND TORRES
STRAIT ISLANDER AFFAIRS

(Subcommittee)

Reference: Indigenous employment

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CAIRNS

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

Tuesday, 15 May 2007

Members: Mr Wakelin (*Chair*), Dr Lawrence (*Deputy Chair*), Ms Annette Ellis, Mr Garrett, Mr Laming, Mr Slipper, Mr Snowdon, Dr Southcott, Mr Tuckey and Mrs Vale

Members in attendance: Ms Annette Ellis, Mr Laming, Mrs Vale and Mr Wakelin

Terms of reference for the inquiry:

To inquire into and report on:

Positive factors and examples amongst Indigenous communities and individuals, which have improved employment outcomes in both the public and private sectors; and

1. recommend to the government ways this can inform future policy development; and
2. assess what significant factors have contributed to those positive outcomes identified, including what contribution practical reconciliation* has made.

*The Committee has defined 'practical reconciliation' in this context to include all government services.

WITNESSES

BRIMM, Mr Ernest Milton, Operations Manager, Tjapukai Aboriginal Cultural Park 1

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Reservations, Tjapukai Aboriginal Cultural Park..... 1**

Subcommittee met at 10.23 am**BRIMM, Mr Ernest Milton, Operations Manager, Tjapukai Aboriginal Cultural Park****HOLLINGSWORTH, Miss Shirley, Gallery Manager and Training Coordinator, Tjapukai Aboriginal Cultural Park****ROSS, Mr Emmanuel Matthew, Host and Performer, Tjapukai Aboriginal Cultural Park****WOODLEIGH, Miss Natasha, Groups Coordinator and Acting Supervisor for Sales and Reservations, Tjapukai Aboriginal Cultural Park**

CHAIR (Mr Wakelin)—Welcome. I declare open this public hearing of the Standing Committee on Aboriginal and Torres Strait Islander Affairs inquiry into Indigenous employment. It is our pleasure to be here with Tjapukai.

Some of us, including me, were here just under two years ago and I believe we had quite a fulfilling experience. It was very encouraging. I think we are on the brink of a lot of positive stories in terms of Indigenous employment. I do not want to disguise the ups and downs of it all, but we think that there is a lot of encouragement out there that we can talk about so that we can overcome some of the negative stereotypes, or whatever you want to call it. We want to emphasise the positive stories. We know about tourism, mining and a whole range of mainstream jobs. These are positions where people are making a real go of it. We know that there are regional and urban differences depending on whether you are in Sydney, Adelaide, Cairns or Port Augusta, near to where I come from. Would you like to introduce yourself, Andrew.

Mr LAMING—I am a first-time member of parliament. I come from the Brisbane area. Prior to that I used to work for ATSIC, going around and visiting remote communities, getting involved in CDEP and other programs and, where we could help, doing the reviews that ATSIC often wanted done in communities. That was my experience prior to parliament.

CHAIR—I invite the witnesses to make opening statements. It would be particularly helpful if you would put your views on how Tjapukai is going, with emphasis on the last couple of years. I would also be interested in your views on Indigenous employment. There is a pretty wide brief in that, but you get the gist of what we are trying to do. We recommend some of these things to the parliament. We tell the story—the positive stories—and that is why we think it is working. The sorts of things we might do as a parliament may support those positive things.

Mr Brimm—As operations manager of Tjapukai Aboriginal Cultural Park, I am the 2IC. The first thing I would like to look at is the positivity with our employment, including when we first started off. I do not wish to be negative towards welfare or the CDEP scheme. I personally do not have anything against anyone who is with CDEP because they have personal issues which could be health issues and so on. But where we are today with employment down here is that, for those who are given the opportunity—it could be either short or long term—there is a light at the end of the tunnel; they are earning a wage. I have seen a lot of them who were without transport for getting down here but they have now acquired that. A lot are looking into owning their own houses because of the IBA's involvement. It is one of the issues that I am looking at personally. With the rest of the members here, I hope to have input into bringing these things into their lives

down the track as well—not only owning their own houses or transport, but also owning personal businesses. This will be especially so if people acquire a higher level of education through some of the training that we are doing currently with the VTA training—acquiring certificates and diplomas. We know that, with our culture, there is always to an extent an indebtedness to it. But if people wanted to say, ‘We have not got sick of our culture, but we would like to branch out into the mainstream,’ the certificates are there to be recognised, not only in the state but nationally as well.

Mr LAMING—Can you tell us what those are and how many people are doing those VTA courses?

Mr Brimm—Shirley will be able to answer that for you, because she is our VTA training coordinator.

CHAIR—Perhaps we will hold the questions and just let you tell the story.

Mr Brimm—Just with regard to our employment here, over the last few years we have had a changing of the guard, as I put it, from one general manager to where we are now with David and a new marketing manageress and their vision and their goals for Tjapukai. Personally, I would like to see more input from the Indigenous staff here because, after all—without any negative comments towards our general manager and marketing manageress—I believe that is best to portray and showcase our culture and present the real McCoy, and that is us.

CHAIR—Authentic.

Mr Brimm—Yes, we are authentic. Because we are recognised nationally, I would like to see us take it to a global scale and make it the equivalent to Rotorua or the Hawaii cultural centre. At the end of the day, most businesses that I know of always come back to this little comment: it is a cost thing. That was the case when we first started off with funding that we got off the government. Some people put in their own time to it and helped. That is why the company is where it is today. I would like to see that today.

CHAIR—I have a couple of questions. It is a bottom line operation. You have to make that bottom line match up—the commerciality that was touched on earlier. In the last couple of years, what has that journey been like? Have you been holding your own commercially?

Mr Brimm—Commercially, it is very hard to say. We can see from the visitation to our groups and the pocket where we are heading and where we are with the stability overall. There is also the feedback that we are getting through working with our manager and the marketing team about what their vision is for down the track. Most people would like to see more dollars in their pocket. Hopefully, that will be a positive that comes from working together.

CHAIR—Natasha, did you want to say a few words about how you see it and where you are going? Describe your position and what happens.

Miss Woodleigh—I have only been here for about six or seven months. I am new to the company, but I have obviously known it for years and years—where it has been and where it is

headed at this point. Doing what I have done in the last six months has been very interesting. I have been organising all the big groups that come through Tjapukai.

CHAIR—Can we talk a bit about that? I assume that there is a significant overseas component.

Miss Woodleigh—Yes.

CHAIR—We touched earlier on different language groups and how you manage them and that sort of thing. One presumes that there are people from Japan, the US, Europe and Australia. Ernie touched on the fact that during certain months—the middle of the year—young Australians come. Can we talk about how you handle that? Do you go through the normal channels—agents, promotions, advertising and that sort of thing?

Miss Woodleigh—I do not touch on the advertising of things. They email me. If it is a big group, I sort out with operations and marketing what their day will be. When they come here, we organise their itinerary and what not. The organisation of it is done through email. When they come here, we meet them. The guides—

CHAIR—What is the size of a big group?

Miss Woodleigh—From 50 up to 100, and sometimes up to 200—different ranges.

CHAIR—That would take a bit of management. That can be catering; that can be the sale of the range of products that you have here.

Miss Woodleigh—Yes; definitely.

CHAIR—Manny, do you want to talk about how long you have been here, what you do and how it is going?

Mr Ross—Okay. I started off with Tjapukai back in 1989. I went away and worked on the railway for a while. I came back in 2004. I was actually going away for another job on the railway when Tjapukai called me up to come back. So I decided to stay home. As for Tjapukai and where it has been before, I do not think Tjapukai was quite as organised as it is today. In the last two years, since I have been back, I have seen a different approach to the future of Tjapukai. I think it has more Indigenous input now—on the outside as well, in marketing—and the right people in the right places stepping up, such as Ernest and Shirley. My job at Tjapukai is as a host. Some days I do groups. Like Natasha said, she lets us know: we get a group sheet every day on who is expected in the park, at what time, who goes to lunch, who does not have lunch. Basically on the day it is my job to make sure that these groups of people go to the right places. So I do the itinerary now and try to get them so they have an area on their own, without clashing with each other, and make sure that the operations of the park, at the end of the day, are going smoothly.

CHAIR—Because that would take quite a bit of doing. You have got people coming in every which way! The discipline of it has to be significant, doesn't it?

Mr Ross—Yes. Well, it is not really hard when you have got a spear paddock, a boomerang paddock, bush food, the didgeridoo show—so you can require these at any time just to keep a group at bay. Because the first thing they think of when they walk through the front door is: ‘I want to throw a boomerang.’

CHAIR—Yes.

Mr Ross—Yes. So basically we try and keep the boomerang paddocks flowing and make sure that the customers are happy.

CHAIR—I had not thought of it like that, keep the boomerang paddock flowing—that is part of the deal.

Mr Ross—Yes, because for the majority of our customers, that is the first thing they want to do: ‘Let’s throw a boomerang.’ They do not think about the Creation Theatre, the dance theatre, the didgeridoo show. They want to throw a boomerang.

CHAIR—And they will have a go?

Mr Ross—Yes. And they love it—even if it does not return!

CHAIR—It is interesting, isn’t it? You can go through all that, but the boomerang is the real hit.

Mr Ross—Yes. I reckon what Tjapukai is doing now is good, like getting more Indigenous people involved. I know from my own experience. Some of the nephews—I am speaking as a family member now; and a lot of the boys that are employed here are our family and they are from Djabugay, the tribe—are a bit quiet. They generally talk with us more than they talk with strangers. They get a bit frightened. So we have got to sort of boost their confidence and say: ‘You gotta talk. The more you talk, the better for the company.’

CHAIR—It is a really important point of the mentoring and support.

Mr Ross—Yes.

CHAIR—But you made a really important point, to me, and I think I must remember this. You said you were here and then you went away and then you came back, and for you the reason perhaps—and I can only presume—that you came back is that you felt that the Indigenous part of the centre was stronger, that you had a stronger role or whatever.

Mr Ross—Yes, that is very important; I must admit that. I went away and worked in termite welding—and termite welding in the railway, I found out, is really quite a good paying job. It is hard, hot work. But you get paid weekly, not fortnightly. You get your fortnightly pay but you also get an incentive pay on the off-week, and that means you are walking home with something like \$3,000.

CHAIR—Good money.

Mr Ross—Yes. But, for me, my heart has always been here. I sit in this office and I look at the photo that is up there on the wall, and a lot of those kids there are now young men who have their own children. I missed that by about five minutes, I think—the photo session. I look at that and see where my heart has been and where I want to go. It is the same with Ernest. Ernest and I are very family orientated. We are not just here as different Tjapukai people; we have a family connection as well. What I am saying is the same as what he is thinking. I am not here for just a short time this time; I am here to stay because I love giving my culture across. I think it is important for other people throughout the world to understand that our Indigenous people suffered in the past, but also how we live together today—forgiven—and how we do not reflect on the past anymore. This park is about a new sense of education for people from overseas. We want them to understand that we have forgiven. We do not live for 40,000 years here at the park. We tell it, but we also give them the opportunity to experience that with us.

Mr LAMING—On the employment issue, you have a reserve of young men and women from the family who you can call on if you need extra performers or assistance in the building?

Mr Ross—We have enough on a daily roster. But, if we do require any more, I think that is up to Ernest and his colleague.

Mr LAMING—Can you tell us about that decision and how you do it?

CHAIR—Before you answer that, I would like to go through this. We will go back to that. Natasha, you might comment on this as well. We talked about language earlier. We have Japanese tourists—and maybe the US people can understand us! We talked about interpreters a little bit. Do you deal with that too? When you have a group of Japanese, do you have interpreters or do they have their own?

Miss Woodleigh—We actually have two Japanese girls who are our interpreters for the Japanese groups in particular. A lot of the German groups and other groups have a tour leader who speaks English, so we can communicate with the tour leader and then the group understands through the tour leader. That is how it works.

CHAIR—You get quite used to that. In the parliament, sometimes we work through interpreters. You say a bit and then stop. You have to work like that.

Miss Woodleigh—Yes.

Mr Ross—Yes.

CHAIR—Shirley, could you tell us what you do and how you see it?

Miss Hollingsworth—I started here in 1997. I have been here for 10 years. I have been in the position of retail manager for about six months and have been the Australian coordinator for two or three months. I see it as a good opportunity. To me, a lot of it is to do with the elders: the original set-up and things like that, what they put in place to give us an opportunity to have something as we got older, and that sort of thing. Basically, that is my main driving force. The shop has a website and we do corporate orders. In relation to the groups that you were talking

about, there are certain things that we have to have ready for the groups when they either visit or go off-site—whatever the case may be.

Training is a new challenge, but we are getting there. We have quite a few people in the shop and the operations area who are doing certificate IIs, IIIs and IVs in tourism operations. That is currently underway. A lot of short courses in responsible service of alcohol are coming up. A few of the staff have already done first aid training as part and parcel of their responsibilities as duty managers and what not. That usually falls on the backs of the managers and supervisors of whichever department.

In the shop itself, I am working more on the authenticity of products, and things like that. I do not know whether you know about our policy. We have had it in place for six or seven years. Anything in the shop that looks like Aboriginal art definitely is Aboriginal art. We make sure of that. The way we do that is by getting companies as well as individual artists to sign statutory declarations. So if we need to approach the artist with that company, we can do that. There are things like that.

CHAIR—It is a pretty simple point: to get the real deal and put effort into the integrity of the operation.

Miss Hollingsworth—They guarantee that and I think that is one of our key selling points. When we did do it a few years back, what we thought was authentic ended up not being, and so we dropped a lot of those products, suppliers and things like that. The interesting thing was that they then went and looked for Aboriginal artists to come up with specific designs for them and then they came back, approached us and we took them back up. That provided opportunities for artists outside of the park.

CHAIR—I will have a go as I go through, and then I will go to my colleague Andrew. Ernest, there are two things—I will come to the second one at the end. You mentioned CDEP, the Community Development Employment Project—whatever version; it has got various names. The government is obviously going through significant changes with it. You know its name—sit-down money, the various forms and all that sort of thing. There is a fair bit of evidence that very rarely did it translate into mainstream jobs.

Mr Brimm—I am following that at the moment, being an ex staff union representative—there is a bit of interest still there.

CHAIR—The last time I was here—and I remembered this coming through—we touched on the rosters and that sort of thing to encourage people to be here. The show must go on. Firstly, I would like a comment on CDEP, how you have seen it and some of the changes that have occurred—any comment about it; your general view—then going to this point about turning up and keeping the show rolling. Could you talk a little bit about that for us?

Mr Brimm—I have been involved in work since I left school at 18 years of age. My employment history is 15 years in forestry and 10 years here. I have had negative comments on why you Aboriginal people cannot work, and I tell them about my background. They say, ‘Why you and not them?’ When CDEP came about I had a negative outlook on it at first, being a young fellow, being naive. But there are people out there with be it handicaps or lack of education who

cannot fit into the mainstream or work in general. A lot of our Indigenous staff, the younger generation, who went to a state school level or a mid-high-school level did not pass the certificate, yet I have seen in their mannerisms and their professionalism in delivering a spectacle here a lift in their education. Now they present themselves because they know that, even though they did not finish their schooling, coming here they have presented themselves on a professional level by looking towards the senior guys like Manny nurturing them—been there, done that; not to say that you can rest on your laurels. You still have to leave one or two per cent for improvement. That is where we are today in taking it to that next level. It can never be 100 per cent right; you have got to have a percentage for improvement.

CHAIR—But you have been able to run an organisation here which requires a discipline—that is significant—every day, seven days probably.

Mr Brimm—Seven days, seven nights.

CHAIR—That is a massive challenge—and I do not have to tell you people that—with the rosters and all the rest of it, but you do it.

Mr Brimm—Sure do. I just look back over the last few years, of my being involved with operations at the ground level and then going up into the managerial level where I am today, and I look at myself and see the grey hairs starting to come—the old salt-and-pepper—and I think about why we are where we are today. And behind the scenes of the events that happen is a strict discipline, which we have to have. For instance, there might be a niece or a nephew you have to terminate, and then you have to face them in the community, and their mums and dads. You can feel ostracised from the community, but you have to wear it because, when we come back down here, we still have to continue with the professionalism and discipline we have here. Then you have to try to explain to the family itself, ‘This is the direction we need to take,’ and that we cannot be lenient, even to a brother or sister—that they are just another employee. The fact that they are a brother or sister or an uncle or auntie must come after work.

CHAIR—Otherwise it won’t work?

Mr Brimm—Yes, it won’t work. Of course you have the laws—discrimination laws—and the traditional laws and all that cannot be within any workplace. So that is the strict guideline we have to have.

CHAIR—Thanks for that. Andrew?

Mr LAMING—You have answered my two questions, which were on employment growth and also professional development and training. They were my two concerns.

Mr Brimm—One of the things I would like to touch on with training, especially where it goes to the dancing itself, is what we would do if we were, say, inundated with groups here so that we were flat out, and we needed to get extras. I suppose that, if we were ever to get to the point where we needed to bring in outside dancers—which we have not, at this stage—then we would go to the people within the community, the dancers themselves. Since they have grown up here that would make for a shortcut with the choreography, because they would already know the dance, and they would have known it from when they were knee-high to a grasshopper. They

could walk straight in and do it. It would just be the mannerism that we would need to work on, and that is what we do with the VTA training that we have now—how to present yourself, how to speak and such. But when it comes to natural talent, they have it from the moment they are born.

CHAIR—I was looking at something on the television this morning, and I thought, ‘There is no way I would ever get that dance,’ that movement as the foot comes down, and when you see your guests get up on the stage, there is no way they do it the way your people do it—

Mr Brimm—I can’t!

CHAIR—Thank you—you make me feel better already!

Mr Brimm—I grew up in the rock and roll era—foxtrot, you name it. But when it comes to the comedy—you were talking about it, the crossing of the legs—well, anyone could do that, just the bit of comedy that is involved. You are looking at the years since 1987; we’ve been dropping it for maybe five or 10 years; we are still getting people laughing today.

Mr Ross—And the performers actually taught the song; they wrote the song and did the choreography of the dance, and they show how the comedy was in all the old performances. There was no outside input on that. We thought, ‘You’ve got to do a bit of comedy. This isn’t just all culture—we do have a funny side, too.’

Tjapukai people have always had that humour; we love playing tricks on each other. I remember I was there when the park first opened, and all the boys were on stage dancing. The show had just finished, and normally everyone would just say, ‘Oh, stay on stage and we’ll take photos.’ And I came running around with a python, and everyone was just gone! People were asking, ‘Hey, where’re all the performers? What’s going on?’ But the dancers had seen me—‘Manny’s got a snake!’—and they were gone! But they had just been doing a snake dance; they shouldn’t have been frightened by a snake.

CHAIR—My only other question—and this is one of the advantages of getting to know each other a bit before we came here to do this more formal stuff—is on the 99-year lease and whitefella concepts like that. I would like to try to explore the value of a 99-year lease and the taboo on commerciality and all of that stuff. Could you tell us a bit about that?

Mr Brimm—As I mentioned earlier, I have a personal view on not believing in land rights—it is because of the 99-year lease. Our culture is always going to be here; commercialism comes and goes. As I mentioned to the ex-general manager and a lot of people, the dollar signs can always go, but our culture will always be here. It is hard when there is conflict with my younger family—my brothers and sisters—

CHAIR—I am slightly hesitant to ask, because I can really appreciate that. I have seen it around Australia.

Mr Brimm—I know throughout my schooling years there were reflections on the bauxite area. It is not what is above the ground; it is what is below the ground that counts the most. If someone came along and found something under the ground here, it would be, ‘Excuse me,

gentlemen. We've got to move you. What's under the ground is more valuable.' That is why I do not believe in it. Others have other opinions on how they see the 99-year lease.

CHAIR—Without trying to be drawn into old conflicts—or be involved in conflict at all—it highlights the toughness of different values and how you manage these things. I can see a case where authenticity is worth dollars and is valuable in a commercial sense. But, in other cases, how you sustain it is a real challenge as well.

Mr Brimm—Yes. Shirley mentioned the authenticity of the gallery itself. I am very proud—over the moon—that we have an Indigenous gallery manager who is selling art. Even though you have an entrance to the park, where is everything sold? It is sold at the exit in most places you go to. She highlights that position and, being a Tjapukai descendant, highlights what she sells down there—especially when it comes to the authenticity of our style of painting. There are X-ray paintings, dot art of the Central Desert, crosshatching in all this Northern Territory, and other artefacts. It is good to have that but to highlight that we are Tjapukai: these are the artefacts that we have made here, and this is our style of painting.

I would like to see that reflected in the restaurant. We have an Aboriginal Park and a restaurant here—and it is up there with the best of them—but it is limited in its bush food influence. Without being disrespectful, we have non-Indigenous chefs. If you were to come here, you would like to be served by an Indigenous chef with an Indigenous influence at the table instead of going into town to have a look at the other restaurants that have that influence. Why not here?

CHAIR—Talking about land rights, my electorate is Pitjantjatjara land. It is historic and symbolic in Australian land rights. Pitjantjatjara and Ngaanyatjarra lands have 30 years of land rights, and yet the great dilemma is that the outcomes have not moved forward for anyone in health, education and those sorts of things. There is a real challenge to say, 'Well, there is some example with native title where it has been able to demonstrate leverage for significant commercial outcomes.' In many cases it is a real challenge to deliver what—without being presumptuous—I think most Australians, Indigenous or non-Indigenous, would think to be reasonable. It is a big challenge, so I thank you for having the courage to touch on it, because it is a big issue.

Mr Brimm—It sure is. On nonbelieving with the land rights and such: there is a positivity in my father and me acquiring the land through native title and starting a commercial venture a few years ago. There are positives. Who knows? It is not a case of sitting on the fence or of having your cake and eating it too.

CHAIR—That is spot on.

Mr Brimm—Down the track I could do an about-turn. Do I go to the Native Title Tribunal and acquire this land back because it is a commercial venture or because I have respect for the land itself? This is my area. I would like to start things up here based on what my ancestors have passed on to me and what I have acquired through education and combine the two.

CHAIR—And perhaps the bottom line sometimes with a 99-year lease is that it is just to keep the financiers happy.

Mr Brimm—It is a legacy for the generations after you. You laid the foundations, as did your predecessor, and that is the legacy that you have left.

CHAIR—I do not have anything else other than to thank everybody. Does anybody else want to add anything? We will be writing this up in the next few weeks in the parliament through June. It will not be anything profound, but it is about telling the positive stories. There will be the odd negative in there where we have to face up to a few of the basics, such as education, the way our bureaucracies work, the way the parliament works and that sort of stuff. But generally we are looking for the positive stories, and there are a fair heap of them out there, at a time when Australia really needs everybody it can find to do work. Thank you very much.

Mr Brimm—Thank you very much. On behalf of the Tjapukai staff here, it is a pleasure having you here. Once we get the feedback, we can continue with the relationships.

CHAIR—Thanks for coming in on your day off!

Proceedings suspended from 11.02 am to 1.59 pm

SZYDZIK, Mr Jack, Private capacity

CHAIR—Welcome. We want to hear about your aspirations and how they might relate to this inquiry, which is about positive outcomes for Indigenous employment around Australia. Do you have any comment to make on the capacity in which you appear?

Mr Szydzik—I am currently the chief executive officer of Cairns and District Regional Housing. I am also a director on the board. I come here in the context of being both a CEO and a director of the company. I come here with the full knowledge of our chairperson, for the record. I asked whether she could come but she is in Atherton; there are all sorts of issues there at the moment.

Cairns and District Regional Housing has undergone quite a transformation in the last three years. Three years ago it was one of the worst-case scenarios that you read about. I actually live in Yarrabah, and I was invited by a number of community members to come in and help resurrect the organisation. It was one of those situations where a small number of family groups, people connected to ATSIC, basically ran the place as a family fiefdom—the same old situation that you see in many places. Since then, we have rebuilt all our houses and put new policies and procedures in place, which are documented. We have very extensive tenancy and property management procedures, written in a form so that every single tenant has exactly the same documents that we have. They have been issued to all the housing corporations in this region, including Hope Vale, Yarrabah—I was talking to Badu Island just two days ago as part of their rescue passage. In the last federal government corporate governance review, we were one of the few organisations in Queensland that got a very big tick. So we have taken a lot of time and effort to rebuild and reconstruct ourselves.

The hard part for us has been dealing with the culture change. Domineering family groups have seen that as a loss of their power base as distinct from us doing something bigger and better and not losing something from the community at large. That has been a major issue for us.

One of the things that we have tried to do in our rebuilding program is create a situation where, wherever we can, a dollar of money spent on housing also creates an opportunity for employment. At the moment, Cairns and District Regional Housing achieves, on average, a 70 per cent Indigenous labour component as part of its programs. We have tried to build maintenance teams. We have tried to build building teams. We have not built them directly but we have fostered two—one in Mossman. We almost got one in Kuranda, but it did not quite work out.

There is a growing desire for change within the Indigenous communities at large. But one of the problems we have is the entrenched demarcations within the communities. That is certain domineering groups, family groups and what have you who have traditionally had access to programs and, within communities, pretty much laid claim to programs. The biggest problem is: how do you get the wider community to engage?

I would like to share with you a success story and an opportunity cost. I come from a finance background, so I think in terms of opportunity cost. When Cyclone Larry struck, one of our

members in Innisfail had 30-odd houses and we had six of our own out there. A lot of the people out there in farms and at Paronella Park lost their employment. They contacted us and said, 'We're in trouble.' 'Do you need a helping hand? Do you need this; do you need that?' We contacted DEWR and we arranged for them to get their blue cards. We held the training in our own office. With DEWR, we arranged for them to get their chainsaw certificates, work safety gear and all that sort of stuff, and wherever possible we had them doing Cyclone Larry work on our behalf.

We had at our disposal at the time \$800,000 of CHIP, which is a federal fund, for R and M, repairs and maintenance. We asked the ICC at the time if we could apply that to Innisfail. We spoke to the state government and said to them, 'What if you guys get all your different programs, which are four weeks here, five weeks there and six weeks there, and create a one-year-long contiguous program? What we will do is that, with our \$800,000 CHIP, we will bring in a few building teams, and there could be anything up to 30-odd people who we could move through this.' The state government said, 'What a good idea. If you guys can do that, we'll provide the training for the trades assistants, the instructors and what have you.' We tried to create a situation where up to 30 Indigenous people who were currently out of work would have effectively been mainstreamed into the construction industry. They would not have been builders, but they would have had all the tickets for laying slabs, putting up sheds, framing, putting windows up, flooring—everything to do with subcontracting.

The ICC manager is the son of the executive officer of the person who runs the housing corporation in Innisfail. His father is also a director and his sister is the company secretary. He was the ICC manager who coordinated the whole of government Cyclone Larry recovery action on behalf of the federal government. We as an organisation, complete with three building teams, were specifically excluded. So you then got down to this issue of transition and patch protection or what have you. From there on, we as an organisation did not get engagement in the recovery work. All these people did not have access to the training. You are looking at 30 people who are still probably unemployed and will continue to be unemployable other than perhaps working on banana farms. And that \$800,000 was then recovered by FaCSIA and sent back into consolidated revenue. So at every level there was a huge opportunity cost attached to this.

The point I would make is that we were actually propositioned by the community to help. We were working with the community. If we are going to make large inroads into the problems with Indigenous employment, we need a holistic approach. We have to start walking away from some of the entrenched lines of service delivery, connections and contacts that have been built into the way we have run some of the programs over the last 30 years. There is a strong desire for change within the communities.

Something you need to understand is that the communities tend not cross boundaries. They need to feel that the message is one of openness and transparency. The message they need to hear is that we will be engaging all of the community, that everyone will have access, and that some of the legacies of the past will start to be put to one side.

CHAIR—Just to drill a little into the promise of getting it together and then it not happening, could you say in a few words why that did not happen?

Mr Szydzik—There is a bit of history there. When the decision was made by many community members to wrest control of Cairns and District Regional Housing from one family group, the family members had a number of housing organisations which were members of regional housing, and that is the peak, overarching body. As well as having the housing stock in the more remote areas like Croydon, Chillagoe, Ravenshoe and Mareeba, it also provided the funding and managed the repairs and maintenance for the housing organisations in some of the larger urban areas like Innisfail, Cairns and Atherton. It so happens that in some of these urban areas the people who ran these housing companies were all connected to one family group. They felt alienated when the community said, ‘We are going to change.’ So that family connection, rather than the interests of the wider community, was protected. That is how we felt.

CHAIR—You were not able to access it, the money simply went back into revenue and a number of people, when there was an opportunity there, did not get employed et cetera—

Mr Szydzik—Correct.

CHAIR—whereas you felt as if it could have been dealt with differently?

Mr Szydzik—Yes.

CHAIR—The ICC sounds like it was reasonably onside as well. I think they were hoping to facilitate it but could not.

Mr Szydzik—The ICC specifically excluded us from the process. That is where the problem was. So we felt that the family connections, rather than the interests of the community, were protected.

CHAIR—So this was the relationship issue as well?

Mr Szydzik—Yes.

Mrs VALE—Did the ICC itself protect the interests of the family connections?

Mr Szydzik—The manager in charge was the son of the individuals within the housing corporation.

CHAIR—How many houses are there in the corporation now?

Mr Szydzik—Ninety-five.

CHAIR—Do you run an annual balance sheet?

Mr Szydzik—We certainly do. We are down to breaking even within this year. By the end of this year we will have broken even. When I inherited it, I had a \$750,000 GST bill and five years worth of housing programs that had not been completed. It was a horror story that I could keep going on ad infinitum.

CHAIR—Ninety-five houses—

Mr Szydzik—Ninety-five.

CHAIR—in reasonable order—

Mr Szydzik—In good order. Both my staff—

CHAIR—owned by?

Mr Szydzik—Owned by regional housing.

CHAIR—They were rented to Indigenous people?

Mr Szydzik—Yes, to Indigenous people. Both members of my staff are young Indigenous ladies. One is a fully qualified real estate agent; the other one is only two months off becoming a real estate agent. My legacy will be a professional, fully trained local team. My head property manager is currently undertaking a licensed valuer course as well. We are trying to lead from the front and demonstrate that you do not have to be consigned to the sins of the past—that you can actually make a transition.

CHAIR—Would these properties ever be sold to individuals privately? Is any private ownership to be considered?

Mr Szydzik—On two occasions we have tried to engage with some of our longstanding tenants. As part of CHIP, there was an amount set aside to assist with home ownership. We almost got two people over the line. We are talking about annual appropriations and they are time limited. You are dealing with people and it is virtually a cultural transition, where you have to get them to understand the benefit of ownership and what have you. What we found is that they were our first two success stories and they could not organise themselves within our tight time frame.

CHAIR—I presume it is not in just Cairns; it is in the other communities you were talking about?

Mr Szydzik—Correct.

CHAIR—But it is particularly in Cairns. Most other areas would have sound housing markets, and evaluations would be improving, et cetera.

Mr Szydzik—That is a major problem here. If you take places like Ravenshoe or Chillagoe, for instance, they are about six hours drive from here, but the mining industry is booming over there at the moment. So you have people paying \$400,000 or \$500,000 for houses and five years ago you would have paid only \$125,000 for them. Firstly, that in itself is excluding Indigenous people from the market and, secondly, if we have to actually assign some sort of market valuation to the property, it blows them out of the water.

CHAIR—That is very clear. You mentioned 70 per cent Indigenous employment. You have been able to get that up over the time that you have been there.

Mr Szydzik—Yes.

CHAIR—I presume that is service, maintenance—

Mr Szydzik—And construction. It is mainly subcontracted.

CHAIR—Let us understand construction.

Mr Szydzik—The building of houses.

CHAIR—It is a program over X years. How many are there in a year and what sort of—

Mr Szydzik—It is CHIP related. Last year we built four houses; in the year before that we built four.

CHAIR—Do you do it with the subbies or directly?

Mr Szydzik—They are all subbies. All our work is subcontracted out.

CHAIR—You are still trying to get to 70 per cent?

Mr Szydzik—We have builders and what we assign to them is a minimum Indigenous labour component of 20 per cent. On average, they are achieving 70 per cent.

CHAIR—They are quite happy. Twenty per cent is modest, but you find that they do a lot better than that?

Mr Szydzik—Yes. You pay people regularly. We have had a number of apprentices pop out of that. Over the long term it has been good. For us, one of the biggest problems has been the stop-and-start nature of grants. We have found that builders are keen and there are plenty of people out there willing to participate.

CHAIR—No doubt you have a board. Do you have an annual report?

Mr Szydzik—We have a board of directors. I do not put out an annual report as such. I have not quite got to that level of sophistication yet, but, if you like, I could send you a copy of our corporate governance policies and procedures. They were reviewed by the University of Sydney and they are being treated by the University of Sydney as best practice. I also have a copy of our policies and procedures for tenancy and property management. We also have a very comprehensive section within that on the code of conduct for contractors and people onsite.

CHAIR—If there are four or five new ones in a year, over two, three or four years—

Mr Szydzik—We also had a million-dollar repairs and maintenance program. That is where we spend—

CHAIR—Which suggests you had a home base of around the 75 or 80 when you started.

Mr Szydzik—When I started we had 65; we now have 95.

CHAIR—There is a million-dollar maintenance program, and generating other rental—

Mr Szydzik—Most of that was out of CHIP simply because of the poor state that we inherited them in. As of this year, all our properties will have been upgraded to a satisfactory state. ARAP are currently doing a review on behalf of the federal government. A number of our properties can continue to be upgraded, but by the end of this year we expect to be pretty much self-sufficient.

CHAIR—And your repair and maintenance uses subbies attaining the 70 per cent ratio.

Mr Szydzik—That is right. We currently charge 70 per cent of market rent. It has taken us three years to get to that point because we started off with a very low base. We find that we are now surviving from our own rental returns.

CHAIR—So those people in there are your tenants?

Mr Szydzik—Yes.

CHAIR—What is their employment situation? I guess this is only anecdotal, but are they people who tend to be in jobs? Is it a fair mix? Are they older or younger? What is the mix of your tenants?

Mr Szydzik—It is a fair mix. It is right across the spectrum.

CHAIR—What is your damage like? What is the attitude to these buildings like?

Mr Szydzik—When I first started, we had some properties that required \$61,000 to \$65,000 worth of work to fix them. We currently have landlord insurance on all our properties. I have only two left of those to totally rehabilitate. All the other properties are being looked after. We now have quarterly inspections. We have staff who are trained real estate agents. That sort of professional approach is adopted. Wherever possible, when we go to places like Chillagoe and Ravenshoe we engage local people to do all of our work for us. We go out of our way to try to foster some sort of small enterprise approach. For example, in Chillagoe we supplied them with a mowing machine and what have you and they now mow our lawns. Wherever possible, we try to engage local people to do our repair and maintenance work.

CHAIR—So you encourage a bit of pride and local initiative.

Mr Szydzik—Yes, we try to foster a sense that we are an Indigenous housing corporation. We are part of them and they are part of us. Looking after a house provides us with the opportunity to, at some point down the track, put the money saved from what were horrendous R&M bills in the past into new housing. That is the transition we are making.

CHAIR—It seems like perhaps you would not have a favourable opinion of the ICC.

Mr Szydzik—I had a really good relationship with the ICC for a while. Just to let you know, in March 2004 Regional Housing was served notice by ATSI that it would be closed down

because it was in such poor shape. We asked for a three-month stay. We had a lot of community people come onboard and challenge the then-domineering board members. We have had an excellent board ever since. We have on the board not only people who run Indigenous housing organisations but also professionals and people from the community. So the board of directors actually represents the community. We have gone to other Indigenous organisations who have adopted our approach. We are not a traditional Indigenous organisation; we are a best-practice business whose board of directors just so happens to be Indigenous and whose customers just so happen to be Indigenous. We have made that transition. They are very on the ball. We have a number of professional people as well as people who we inherited from housing organisations.

Ms ANNETTE ELLIS—Thank you for having us in beautiful Cairns. How many employees are there directly within your organisation?

Mr Szydzik—At the moment, just three. We had five but when the Community Housing and Infrastructure Program, CHIP, was pulled back we dropped two off.

Ms ANNETTE ELLIS—What is the breakdown of Indigenous staff? You mentioned that you had—

Mr Szydzik—Two staff and me. I am part of the transition team. I see myself moving out, probably, in about another six months to a year.

Ms ANNETTE ELLIS—You have rattled off many place names, some that I know and some that I do not. What is the approximate extent of the area that you look after in kilometres covered? Do you go 500 kilometres north?

Mr Szydzik—We are about as big as Tasmania all up. We go all the way into Croydon, which is 10 hours drive from here.

Ms ANNETTE ELLIS—Is that north?

Mr Szydzik—West. North we go up to the Daintree and south we go all the way to Mission Beach. So along the way we have got pretty much all the areas. We find that we spend as much time in working with people on their ability to secure accommodation for themselves as we do in providing direct accommodation services. So part of our charter is to help people to secure private rental—how they organise themselves, how they structure themselves, how they package up their own resources, how they write out an application form, how they present themselves. We spend an awful lot of time doing that as well.

Ms ANNETTE ELLIS—That is to move on, to move out of the housing that you are providing?

Mr Szydzik—No, just in the Indigenous population at large.

Ms ANNETTE ELLIS—Additional to the 95 houses?

Mr Szydzik—Additional to the 95 houses, yes.

Ms ANNETTE ELLIS—What is the general length of tenure of the residents of the 95 houses—forever?

Mr Szydzik—In the larger urban areas, like Cairns, where we have got quite a few houses—30-odd houses in Cairns itself—it tends to be short term. When you go out into places like Croydon it tends to be longer term, because you do not have as much of a transient population, and it tends to be an older population. We see each of our houses in the context of not so much being another public housing structure but as being more in the line of providing people with better access to private rental and, hopefully, home ownership as well.

Ms ANNETTE ELLIS—Do you have any questions about overcrowding in the houses? I am using that term very carefully, because it is open to interpretation, but as we would understand the term—

Mr Szydzik—We do. It is a major issue. One of the things that Regional Housing has been doing in the last two or three years is picking up where some housing organisations have fallen over. Ravenshoe is a classic case. They had a housing organisation with about 18 houses. When they went into receivership, we managed to rescue about 12, of which five have had to be demolished and the rest we have been able to rebuild. Those people are living in parks and what have you. We go and do a property inspection and we see the damage everywhere. We know that the minute we walk out, another 20 people are going to be walking back in. We just know it.

Ms ANNETTE ELLIS—The other part of my question relating to that is the extent of waiting lists for people trying to get into the type of housing you provide. What is that situation?

Mr Szydzik—We have got a waiting list that is way out of proportion to what we can offer and people just do not even bother putting their names down.

Ms ANNETTE ELLIS—Is this the reason that a lot of your effort is put into helping people get into the private market?

Mr Szydzik—Yes.

Ms ANNETTE ELLIS—In proportional terms, can you guess as to how successful you are, given the demand? That is not a criticism of you.

Mr Szydzik—No. It is hard to put a figure on that.

Ms ANNETTE ELLIS—An anecdotal reaction to it?

Mr Szydzik—We find that the younger professional people looking for a house, starting off, have a much better chance. We find that the people coming out of the communities, who are struggling, who just do not seem to appear the sort of people that a real estate agent would want, tend not to be very successful. But we try with all of them. We sit them down and go through what a real estate agent would be looking for and how they should be presenting themselves. We get them to bring in their application forms. We sit down and work with them.

Ms ANNETTE ELLIS—What are the corporation's plans for asset addition to the stock? What sort of outlook is there from that point of view?

Mr Szydzik—The vision for the organisation was to consolidate. I myself worked hand in hand with our sister organisations in Rockhampton, Townsville and southern Queensland. We put together a vision and a strategy where we would consolidate all the assets so we would have common systems. I have already put in common computer-based housing management systems for all the members. We have given them all common, very good policies and procedures. We found that, of our nine members, four have moved in and we are working together. Five, which were pretty much this one domineering family group, all said, 'We're going our own way; we won't engage.' We committed some unpardonable sins. We let go of some of their relatives who were working within the organisation when I started there, so you could understand some of the issues there.

Our vision was to consolidate into an organisation of about 320 strong, to have common systems and common management—not necessarily common ownership but certainly common management—in other words, employing a classic real estate model. That in itself would have enabled us to have economies of scale, and from there we would have had professional staff and we would have been self-sustaining. We would have then put together cases to leverage off our assets and systematically build.

We have already been in negotiation with banks, and they have told us that they are quite happy to do business with us if we manage to get all our member organisations to work as one unit. We just have not made that transition. The example I gave in Innisfail was one of the spectacular failures, because that actually cemented the differences rather than encouraged people to come together.

Ms ANNETTE ELLIS—I just have a couple of other questions. I will move from the organisation to the people you contract to do the maintenance and the building. You mentioned before that you have a wish of 20 per cent but you get a 70 per cent inclusion—

Mr Szydzik—On average.

Ms ANNETTE ELLIS—on average of Indigenous employees within those businesses.

Mr Szydzik—Within the construction—

Ms ANNETTE ELLIS—Industry itself.

Mr Szydzik—Within the programs themselves.

Ms ANNETTE ELLIS—Can you explain what 'within the programs' means?

Mr Szydzik—For instance, we built four houses. On average there was 70 per cent Indigenous labour building those four houses.

Ms ANNETTE ELLIS—Where is the labour from? That is what I do not understand.

Mr Szydzik—It is local labour.

Ms ANNETTE ELLIS—Okay, so it is local builders.

Mr Szydzik—Local builders, yes—all local businesses.

Ms ANNETTE ELLIS—They are not belonging to you in any sense.

Mr Szydzik—No. Local builders.

CHAIR—Contractors.

Mr Szydzik—Contractors, yes. They subcontract out, and they get local people in. It is the same with the repairs and maintenance program. We contract that out to local builders. We have a project manager assigned that we contract out and, through them, they contract local builders. Then they track the Indigenous labour component on every single job.

CHAIR—A lot of that funding is your CHIP base?

Mr Szydzik—Yes, it is CHIP.

CHAIR—It is federal infrastructure money, for housing.

Mr Szydzik—Yes.

CHAIR—Is there a state component still?

Mr Szydzik—Not with us.

Ms ANNETTE ELLIS—Is it difficult to find those builders with those Indigenous workers?

Mr Szydzik—Not at all.

Ms ANNETTE ELLIS—So is it fairly common in the building maintenance business in this part of Australia that Indigenous people are trained and employed in that industry?

Mr Szydzik—I could not answer that. I have not been here long enough. But I can tell you that, when I talk to our builders and say, 'This is what we want,' they manage to find it.

Ms ANNETTE ELLIS—And they are all trained and certificated, or whatever you call it—apprenticed?

Mr Szydzik—The builders would not be using people—

Ms ANNETTE ELLIS—I do not mind if they are not, but I am just wondering.

Mr Szydzik—They are all licensed builders, and they would be violating their own insurance and their own quality if they were not having qualified people on the job.

Ms ANNETTE ELLIS—That is fine.

Mr Szydzik—So they are registered builders that we use.

Ms ANNETTE ELLIS—Because in some parts of Australia you cannot find—

CHAIR—No, that is right.

Ms ANNETTE ELLIS—an Indigenous building labourer or carpenter or whatever for love or money, so if it is happening here that is very good. That is what I am trying to get at.

Mr Szydzik—It is happening here.

Mrs VALE—Thanks very much, Jack. It has been very interesting speaking with you. But you say you are in transition yourself?

Mr Szydzik—I semi-retired here. I was in the federal Public Service. I was a former GM in corporate for Austel. I came through Defence. I spent 10 years at the big end of town contracting in change and transition, so I have a psychological profiling background as well as a finance background. I have family in Yarrabah and I was living in Yarrabah—I semi-retired here—and people said, ‘Save our housing.’

Mrs VALE—Having that kind of a background, you obviously understand relationships, because I think it happens at the highest levels, doesn't it?

Mr Szydzik—It does.

Mrs VALE—I am interested in the frustration you must have felt with the failure of this program at Innisfail. Having to give money back to the government to be returned to consolidated revenue is bad for all of us at any time, but when you think this could have paid big dividends for your local community it is worse. It all gets down to relationships, doesn't it?

Mr Szydzik—Correct.

Mrs VALE—Is that still an ongoing dynamic with those family relationships? Is there still hostility there?

Mr Szydzik—Yes.

Mrs VALE—It is a huge issue for you, isn't it, in trying to get this program—

Mr Szydzik—It is a huge issue for Indigenous employment at large, because you have communities wanting to engage, but they usually will not cross the demarcation lines where certain domineering groups have basically controlled programs. They have tended to run them

more for themselves than for the wider community. Communities tend not to go through those demarcation lines.

In the case of Innisfail, the community at large talked to us direct. I know that they had many cross words with the minister's office and there was a lot of heartache there over these sorts of things, but the wider community was trying to engage with us direct to try to find a way through this impasse, where there was this legacy of the past.

Mrs VALE—Was this a matter of eldership or rank or of intimidation or personality, or was it just different family groups having been first in and getting control?

Mr Szydzik—That precedes me, but I think that is pretty much it, yes.

Mrs VALE—Do you have any solutions for breaking that nexus? That is really going to impede, isn't it, on any progress for the wider community?

Mr Szydzik—I think that same situation exists more or less in every community you go into. Certainly, in every community I have been into—and I have been into quite a few—that same sort of situation tends to exist. What you need right up front is the message being provided to the wider community at large that everyone will get equal access and there will be transparent allocation processes. People then will be encouraged to deal directly rather than through certain groups who have traditionally been the gatekeepers and controllers.

Mrs VALE—Do you see that ever changing? Do you see that particular philosophy of trying to bring in—

Mr Szydzik—On the legacy of that change, when they advertised for my position, two nephews of the chairperson and the company secretary and someone else were lined up. Something like 14 people turned up to be interviewed for the job. People from the communities turned up; they wanted a change.

Mrs VALE—So there is a movement there.

Mr Szydzik—I believe that there is a very strong movement, but a way needs to be found to reflect that also in the way the programs are managed.

Mrs VALE—How does your experience inform the change in policy at the upper echelon? When it comes to delivery, do you have any mechanisms whereby you can get that information back?

Mr Szydzik—I have tried. I have had submissions put up by the local federal member for Innisfail; I have had that local member working on our behalf. I have tried to negotiate and work with our people in the ICC. It is a slow process. But I think there is room for a very serious top-down approach to the way the programs are managed and the need for the communities to be given the message that we are changing.

Mrs VALE—This is an opportunity to say what you would like to see happen—being mindful that, though we are from federal parliament, we do not have magic wands. I know you probably

have had lots of impediments to the progress that you would have liked to make. But if you had your druthers, what would you like to see happen, to see change?

Mr Szydzik—That is a good question. I think the current move to the state government is very positive. I might add that we, as an organisation, have been preparing for that for three years. That is a very positive move. My counterparts in Rockhampton, Townsville and south-east Queensland are all moving in the same direction. Our policies and procedures are all geared to that; we have re-engineered ourselves in that direction. So the current direction is right. What I would like is for the federal government to be very clear about making sure that what it hands over to the state government has been cleaned up and that it provides us with an opportunity for a fresh start—that, if houses are handed over or handed back, it is done in a state where we can say, ‘Right; at this point in time we’re on our own,’ and we can be on our own.

CHAIR—Just to clarify that, the direction of the state government is fine.

Mr Szydzik—Yes.

CHAIR—Explain to me what you see that direction as.

Mr Szydzik—We see ourselves becoming part of a bigger whole. One of the big problems that most of these small Indigenous housing organisations have is the small pockets, usually controlled by family groups, that become little fiefdoms. They have not grown, they have not built and they have not really, I believe, achieved the intention. This is an opportunity to become part of a bigger whole.

Mrs VALE—Being separate encourages that fiefdom mentality, doesn’t it?

Mr Szydzik—Correct. We can become part of a bigger system. That is not to say we have to give away our unique identity. But we can become part of a centralised resource pool—

CHAIR—I am not clear on this state government arrangement—what is it?

Mr Szydzik—I believe the IHOs’ long-term future is to become aligned with the state government and become part of their housing structure. At the moment we are part of the federal structure; we should become part of the state structure. That way we would have integration with local state funded housing programs. We are already working with our local counterparts. Our housing application form is already the same as the state government one. That is in our policies and procedures. So the same application mechanism applies.

CHAIR—Is that a policy you developed?

Mr Szydzik—Yes.

CHAIR—You brought that in?

Mr Szydzik—I built it while I was here. I did not have a housing background when I started but I have one now. That has all been built. We see our long-term future as being part of a greater whole, not necessarily giving away our identity. We see our unique contribution as being a

pathway to private rental and to home ownership, as distinct from just another public housing organisation. But we should be part of that wider housing portfolio.

CHAIR—Why, therefore, wouldn't we just say to the federal government: 'You give the money to the state government IHO and tidy it up, by all means'—whatever the recommendation will be, so that when the places are taken over by the state—

Mr Szydzik—They may or may not be. We are advocating that they move across—

CHAIR—Why wouldn't we come the other way and just say to the Commonwealth, 'Give us some money under the general housing agreement,' have an allocation for Indigenous and have you do it from Brisbane? We are heading the other way a little bit.

Mr Szydzik—Yes. That way you are not maintaining the unique identity. If you can maintain the unique identity of it, as distinct from becoming—

CHAIR—The state could do it if they change?

Mr Szydzik—If they could, yes. If these houses and these organisations were just absorbed into a big public housing portfolio, you probably would not get all the local people and local boards and what have you to cooperate; they would all just walk away, and then you would have your worst-case scenario.

CHAIR—But the feds might have unwittingly created this. We are funding the fiefdom.

Mr Szydzik—They actually have what is a way out of it.

CHAIR—Absolutely, but the point is: why would we fund these things to create this chaos that you have inherited? There has got to be a better way, and you are saying the state is actually able to do it better.

Mr Szydzik—Not so much do it better. What we should do is migrate to become part of a bigger system.

Mrs VALE—If I have got it right, Jack, I think what you are trying to say is that merger into the bigger system should actually come from your organisation and from the one at Innisfail and the one at Townsville, as they see themselves that that is where their future and survival lie—and hopefully you try, however you can, to take those fiefdoms with you.

Mr Szydzik—We have got some very strong ones here in Cairns. In Townsville, for instance, they have nine housing organisations and what they are doing is this: all the individual organisations which are cooperatives have decided to form a peak company. It is a mirror image of regional housing as it is now. They are going to transfer all their assets into that organisation and run it as a professional property business.

Mrs VALE—For them to do that they must see that there is something in it for them.

Mr Szydzik—Long-term survival. This is all about long-term survival. This is all about having a unique valued contribution which is a pathway to private rental and a pathway to home ownership, because public housing does not necessarily offer that. The something that is really missing in this scheme of things is a way to encourage that.

CHAIR—But why would a public-housing outfit, state or Commonwealth—although housing is predominantly state across this country—want to do that when they are going to do themselves out of business?

Mr Szydzik—There is so much demand out there that I do not think they will ever do themselves out of business.

CHAIR—So you have them in the public sector of greatest demand and move others through in a transition?

Mr Szydzik—I would argue this. When I used to work with the Covey Group, one of my favourite sayings was, ‘Feed a man a fish, feed him for a day; teach a man to fish, feed him for a lifetime.’ We see ourselves as providing a valued contribution where we work more on access to private rental and access to homeownership, with our houses being the springboard for that rather than to pure public homeownership. That, I believe, will be a much higher value contribution. That is really what we are trying to set ourselves up as.

CHAIR—But you need that public platform for a beginning, don’t you think?

Mr Szydzik—Not necessarily. If we consolidated we would be big enough to do it on our own.

CHAIR—With public money, public funds?

Mr Szydzik—Not necessarily. We will be self-sufficient by the end of this year. But if you are part of a greater whole, a bigger organisation—and my legacy is this—the chances of the discipline in the structure continuing are much stronger.

Mrs VALE—Do you see though that maintaining the unique identity of your particular groups will be hard if you come under the general umbrella of the state government?

Mr Szydzik—No.

Mrs VALE—You think you would negotiate that so that would be part of the terms on the table?

Mr Szydzik—Correct.

Mrs VALE—And with an aspiration for everybody, especially the state government, to actually cede some autonomy within the Indigenous community when it comes to providing a springboard for homeownership?

Mr Szydzik—Homeownership is actually quite achievable under current arrangements. I have spent a fair bit of time in my home town of Yarrabah working with the council so I know it is all very achievable. I do not think the barriers for that are so much to do with either the federal or state governments; they are more to do with the mindsets of the people directly involved.

Mrs VALE—Yes, as we think we act.

Mr Szydzik—I actually workshopped and put a strategy together for the people in Yarrabah. Because I did a workshop with them, I do not feel free to outline all the conclusions, but it was all very achievable within not too many years for them to satisfy their own needs.

CHAIR—I cannot resist this because you have led right into this current debate about the 99-year lease and the private ownership that the government and the minister have been talking about. It seems to me that that is all very fine where you have housing markets. You have mentioned two examples. I have mentioned Cairns as a thriving community. You have mentioned the community—I have forgotten the name—with the mining industry having a dynamic effect. There is always a range of communities out there in which there is no market.

Mr Szydzik—Where there is no economy as such.

CHAIR—That is right.

Mr Szydzik—There is a market economy.

CHAIR—Horses for courses.

Mr Szydzik—Correct. They are not all the same. You have probably got a continuum. You get places like Yarrabah, which is quite close to Cairns. Then you have got places right up in the cape that do not have much of a market economy out there. So you really should be looking at each one on its merits. When it comes to assigning a market value, you can assign a value for economic utility for every property. It does not necessarily have to reflect market value as such, but you can assign an economic value. That economic value can be based on a multiple of current rents and can be assigned in many other ways. In fact, I have had this same conversation with the CEO in Hope Vale and one or two other communities. We have found a way forward on this very issue.

CHAIR—In other words, am I hearing you say that you can do the 99-year private ownership in every community but assign it on that kind of basis?

Mr Szydzik—People do not value what they do not pay for, do they? That is the issue. I do not know whether I was speaking out of turn.

Mrs VALE—I think it is a problem.

CHAIR—That is what my mother and father always told me.

Mr Szydzik—What you do is you start and then you create the environment in which it keeps going. You will start small, but eventually you will bring more and more people on board. What

communal ownership has effectively done is that it has deprived individuals of engaging in the great wealth acquisition boom that is happening in Queensland at the moment. So you have to find a way to allow individuals to start acquiring individual wealth. That is when you start the aspirations. That is when you start pride of place. When I first started with our strategic planning process—when I had our first strategic planning meeting with our board of directors way back in March 2004—I reflected on how Margaret Thatcher basically kick-started the north of England with homeownership when she started selling council houses to individuals.

CHAIR—You do not know how close you are. I was in Edinburgh last year and they were talking about that. Go on.

Mr Szydzik—And all of a sudden people started putting flowerpots on their windows and the equivalents of Mitre 10 stores started popping up everywhere. All of a sudden the economic multiplier was massive.

Ms ANNETTE ELLIS—Some of our remote towns—I have to be the devil’s advocate here—are not the north of England.

Mr Szydzik—Correct. But they are not all the same.

Ms ANNETTE ELLIS—I know. That is the point I am making. That is the very point I am agreeing with you on. They are not all the same. I am not disagreeing with the theory you are putting, but I only agree with it as long as we put a sentence under it that says: ‘For those who remain in a position where they cannot afford to buy, an association like yours or other similar organisation look after them.’ That has to be part of that statement.

Mr Szydzik—You need to do both.

Ms ANNETTE ELLIS—Absolutely.

Mrs VALE—You need to show that it can be done.

Ms ANNETTE ELLIS—We were getting a bit carried away there for just a moment. I just had to put that sentence in.

CHAIR—But that is the point about your assigning value to any market.

Mr Szydzik—Yes.

CHAIR—That is what I heard you say, and I think that is right. I do not know how to do it, but I think it is possible.

Ms ANNETTE ELLIS—I think it is a terrific thing to strive for, but I do not know how you do it either, because there are still people in some communities—

CHAIR—This man understands it better, probably, than we do.

Ms ANNETTE ELLIS—Absolutely.

CHAIR—I was in Edinburgh in July last year with a British member of the House of Commons, and it was remarkable to hear this exact story and to physically see it. And there was no way people were going to go back. They had embraced it.

Mr Szydzik—I would argue that the largest communities that we have hitting the headlines all the time would be at one end of the spectrum, because they are all close to major towns, and then you have others that really need help and will need help for a long time. But you do need to treat them all on a case-by-case basis. And you are talking transition times here; you are not cutting people off. You also find that the very people you need to retain within these communities—and this is not news; this is the same in any country town; I am an ex-Victorian, but it would be the same anywhere in Australia—are the sorts of people who are taking off, because this is not there for them to start with. So you start bringing back the people who can build their own home, who can do this and that, and you create an environment where you start to retain the sorts of people that you need within the community; you start to bring back the talent; you get the economic multiplier happening. You only need 20 or 30 houses half-owned and you might get a little Mitre 10 type store attached to the general store—and it happens.

CHAIR—You are correct: the optimism in the individual then starts talking in terms of local ownership and local respect, which means they are less likely to trash the house, et cetera.

We are going to have to wind it up. That was a great discussion. I just want to try one more time to understand the state. It seems to me that the state government is well placed, as is the Indigenous housing organisation. We have really struggled as a federal government for 30 years on this housing and the CHIP money. We have gone through stages of Aboriginal organisations, nepotism, the fiefdom approach—all of the stuff that you were talking about. It seems to me that we have been culpable to a degree in terms of the way we have funded it. That is a personal view.

Mr Szydzik—And, in that context, the system has been set up to fail; correct.

CHAIR—Funded to fail.

Mr Szydzik—Yes.

CHAIR—It seems to me there is a strength in the state system, which you would aspire to—well, not ‘aspire to’; you see its strength and you see it as bringing it into something as a bigger picture for the smaller organisations.

Mr Szydzik—Well, yes and no. The federal government is walking away; we know that. So what do we do? We plan an exit strategy. And what we say is: eventually, under the terms of the bilateral and under all the COAG agreements, in June 2008 there will be a transfer of responsibility and funding accordingly. So we need to go from here to here. But, in moving from here to here, do we just move across as we are, or do we say, ‘What is our greatest value contribution to the community we serve?’ And in that transition we also address that issue. And our greatest value contribution is a pathway to private rental, because no amount of public housing will ever be enough to satisfy the demand. So, if you are really going to make a difference, it is all about teaching people to fish rather than just feeding them.

CHAIR—That is an appropriate place to conclude. Is there anything you would like to add on any other topic?

Mr Szydzik—No, thank you.

Ms ANNETTE ELLIS—I want to ask one funny little question. Going back to much earlier in the discussion when you referred to some problems with the ICC here and who was on it, in charge of it or running it, how were the people running the ICCs chosen?

CHAIR—It would be through their own individual departments.

Ms ANNETTE ELLIS—I am not trying to dig for a conspiracy here. I understand that in places like this everybody is related to everybody else. But it seems from what you were saying before that there is a problematic segment of this big relative thing in the ICC. Will it ever improve if that is not changed?

Mr Szydzik—No.

CHAIR—That is a good question.

Mr Szydzik—I will tell you why: irrespective of what you do there, the community will not see it as such and they will not engage. You have to operate at two levels.

Ms ANNETTE ELLIS—Exactly. The ICCs have been set up to work, not to fail.

Mr Szydzik—I would ask that one of the recommendations that you make on housing and employment be that you engage with some of the regional housing organisations, such as in Cairns. There are equivalent ones in Townsville, in Rocky and in south-east Queensland. All of us have come to this conclusion. We are all part of the Queensland Community Housing Coalition. We are members and we have our own people sitting on the board of directors. We have integrated to the extent that we can already. I believe that there is an awful lot to be said for dealing with us as distinct from focusing on some things like the DOGITs. That is a key issue. You will find that there are many more people living in the large rural areas than you will in just the DOGITs. We are keen to find our own solutions.

CHAIR—It has been in public. I should have explained that you were entitled to have it in camera or not. Are you happy for this evidence to be put in the public area?

Mr Szydzik—I spent 20 years in the federal system. Then I spent 10 years in change and transition management. I am here because I believe that if we start to address some of the barriers to change we will start to create opportunities for change. That is the context in which I offer my comments.

CHAIR—Thank you very much.

Resolved (on motion by **Mrs Vale**, seconded by **Ms Annette Ellis**):

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

Subcommittee adjourned at 3.02 pm