

#### SUBMISSION.

## INQUIRY INTO A NEW REGIONAL DEVELOPMENT FUNDING PROGRAM.

#### DARWIN ROUNDTABLE & PUBLIC HEARING.

#### The Tiwi Islands Region.

Comprising Melville and Bathurst Islands of approx 800,000 hectares with 800 kms of coastline.

Population of 3000 people identified as a single language and cultural group.

Economic use of land is documented through the traditional era with skills and reliance upon use of land contained within the culture and traditions of Tiwi society through to the Second World War.

Traditional references began a decline from the 1950's as reliance upon use and management of land were replaced by needs and rewards better secured through community residence.

By the 1980's the costs of securing the "needs and rewards" of living in communities implicit in the abandonment of reliance upon use and management of traditional lands was identified by Tiwi Elders as too high. Outcomes identified were:

- Loss of Tiwi pride and identity.
- Social and Economic strategies through dependency as passive recipients of support, rather than active participants of that support.
- Declining health.
- Declining respect for, and interest in, traditional culture and values.
- Children less well educated than their parents with declining interest in school attendance or benefits of education.

#### **Development and Founding a Tiwi Economy:**

As a result of these conclusions the elders began to focus upon attracting private investment as a means of securing some economic activity. Their goals were:

• An industry that could be sustained and survive.

- Business not reliant upon Government Grants.
- Industry that could employ the bulk of the Tiwi workforce.

The target industries were Forestry (that had a Tiwi association through Government plantings by CSIRO from the 1960's); Tourism; Aquaculture and Coastal Barging. Initially investors were sought in joint venture projects to satisfy Government advice at the time that stressed aboriginal equity as an important criteria.

Several joint ventures in Forestry and Tourism founded upon conflicting interests and the management skills of investors. By the mid 1990's Tiwi Elders reassessed their needs and concluded:

- That Joint Venture implied joint risk. The risks were too high and Tiwi management skills too undeveloped.
- That investors must be attracted at their own risk.
- That sustainable and surviving business must be established.
- That once established Tiwi could/would lever themselves into these industries as their skills and interests grew.

#### Sustainable Industry; Sustainable Land Use and a Sustainable Society:

Evidence and Tiwi experience concludes that Bathurst and Melville Island are both significantly suitable and attractive for two sustainable industries:

- 1. Plantation Forestry.
- 2. Aquaculture (sea cage farming).

Great Southern Limited are our plantation forestry investor. Their total investment will exceed \$400m by 2013. Their gross returns at harvest will exceed \$80m.

There are three sea-cage farming investors concluding their business plans for sea cage farming of barramundi at Snake Bay;- a \$25m project and site capable of 3,000 tonnes per annum providing gross returns of \$24m.

These two sustainable industries can employ over two thirds of the Tiwi workforce. Tiwi society can be sustained upon their own land. Will they?

That question is significant for this Committee and Inquiry. Some suggestions are provided by way of Discussion Points for this Roundtable.

John.S.Hicks Executive Secretary. Tiwi Land Council.

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# **Discussion Points for Darwin Roundtable:**

## What should be the objectives of a New program:

For aboriginal Australia, Government has detailed national objectives through policies directed at "Closing the Gap." Gaps differ in terms of priority advantage and disadvantage over the regions. In questioning regional objectives for Transport, Infrastructure, Regional Development and Local Government, programs should identify, as a primary objective, just what the "Gaps" are for that region at the National Policy level before determining the specific RDA program/funding measured against closing that Gap.

- The growth/liveability of regional communities is implicit to sustainable society everywhere. The question may be:- "Does the program promote (or will it assist to promote) the participation of this community in jobs **and** the liveability of the community."
- "Regional" suggests a definition containing:
  - a. An economic zone of shared or similar land use and resources.
  - *b.* A social zone of single or similar shared language and/or cultural traditions.
  - *c*. A collection of communities that share (a) and (b).
  - *d.* Resistance to political and artificial "regions" created to effect administrative or electoral convenience.
- "Community infrastructure" could be defined as that supporting the participation of its members in jobs and "liveability" sustainability of the community itself.
- "Eligibility" suggests three criteria:
  - a. Asset owner. The owner/landowner of the land upon which an asset is to be built.
  - *b.* Statutory obligation. The project assists the statutory functions of the grantee.
  - *c.* Private Investor. The project supports an outcome consistent with and supported by (a) and/or (b).
- The gaps in current community infrastructure funding are largely the lack of regional resource management planning. Many projects rely upon the merits of single submissions in isolation to the regional impact and community participation in those economic and social outcomes sought by the region as a whole.
- Target funding offends those outside the target. The creative energy required to get a submission inside the target can be criticised and politically mischievous. However, "Closing the Gap" is a declared and acceptable National target.

## How should a new Program interact with other funding programs:

Attempts to interact with other funding programs through other organisational structures have been a significant failure. More recently The Office of Indigenous

Policy Coordination (OIPC) was created as a "One Stop Shop". Experience merely contrasted the plethora of competing organisational ambitions, with both personnel and organisational agendas that "know best" how to design and implement "their own" programs to achieve "their own" outcomes. Organisational duplication at State level exacerbates these problems. "One Stop Shops" tend to become "Log Jams" of vested Departmental and Organisational interest.

Regional needs and capacity and sustainability can be described and collated; and outcomes measured.

- CSIRO are believed to have adopted a "Matrix Management" strategy that provides "Regional Focus Groups" able to identify regional needs and capacity. These groups are able to draw upon a considerable battery of available (CSIRO) scientific skills for various regional solutions. Objective data sets are a particular feature to measure outcomes.
- The role of RDA's in "assisting and assessing" applications could be a requirement for the applicant to demonstrate compliance with general planning and outcomes sought generally for the Region. E.g "Closing the Gap":- "How does this application contribute to National and Regional targets."

# Application and Assessment Processes: Management of Funding:

These discussion topics can be referred to available and considerable Federal Government experience; ANAO guidelines and fund management processes. The Aboriginal Benefit Account (NT) (ABA) established in 1976 has over thirty years experience in development of their current model that utilizes private and independent corporate and financial advice in assessment of applications against a scorecard of outcomes. Coherent and achievable Business Plans specific to Regional planning generally are fundamental to the assessment process. Indigenous Business Australia (IBA) and The Indigenous Land Corporation (ILC) also adopt similar processes.

A new Regional Development Funding Program could be assisted through liaison with the current major funding processes already undertaken by ABA; IBA and ILC. Linkages with these organisations may prevent duplication and temptations for RDA to become a funding body of last resort for aboriginal Australia.

Bipartisan political resolve to "Close the Gap" does provide some national policy objectives. Adapting these to regional priorities could flesh out regional performance indicators against these priorities. Preliminary planning of this kind may assist RDA with benchmarks providing measurable outcomes for all programs.

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