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HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON ABORIGINAL AND TORRES
STRAIT ISLANDER AFFAIRS

Reference: Indigenous employment

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HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON ABORIGINAL AND TORRES STRAIT ISLANDER AFFAIRS
Monday, 30 May 2005

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

Members in attendance: Ms Annette Ellis, Dr Lawrence, Mr Robb, Mr Slipper, Mr Snowdon, 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.

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Committee met at 3.37 pm

GIBBONS, Mr Wayne, Associate Secretary, Office of Indigenous Policy Coordination

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SHUGG, Ms Kathryn, Branch Manager, Policy Innovation Branch, Office of Indigenous Policy Coordination

YATES, Mr Bernie, Deputy Secretary, Office of Indigenous Policy Coordination

CHAIR (Mr Wakelin)—Welcome. As you would be well aware the committee does not require you to give evidence under oath, but this is an extension of parliament so we ask you to remember that. The committee has received your submission and has authorised it for publication. As you are well briefed on these matters, would you like to make a few general comments or speak to your submission?

Mr Gibbons—Thank you. I might make a few very brief comments. In your terms of reference the focus is on employment. The committee will note from our submission that my office does not administer programs in this area. We have two roles. One is to lead the administrative coordination of the whole-of-government effort in Indigenous servicing and policy development. The programs we administer are related to support for native title claimants and what we call a flexible funding pool. The flexible funding pool is something we use to fill in gaps or kick-start the government's new approach to investment in communities or to support communities of interest through shared responsibility arrangements or regional partnership arrangements.

I should stress that the whole aim of the new arrangements has been to draw squarely into the servicing and support of Indigenous people, wherever they are, the mainstream arms of government so we do not act alone, so we are not the sole source of support and are a facilitator. It is critical that the mainstream arms of government—not just the Indigenous specific programs that those mainstream agencies now have but the mainstream programs that are not targeted specifically at Indigenous people—are brought to bear on the whole range of issues. I think that is all I want to say apart from referring you to the submission we made. We are happy to take the questions that you might have for us.

CHAIR—Does anyone else want to add to that or say any more?

Dr LAWRENCE—Before we go to questions, would you care to give us an update on the shared responsibility agreements, since you have brought the extra material with you here today? It would be useful.

Mr Gibbons—Yes. We have left with each member of the committee a document that contains the details of 52 shared responsibility agreements in, I think, 43 communities. This is a document that we produced more for Indigenous communities to explain what they are. The language is agreed between the communities and us. They represent the SRAs that have been signed and are in the process of being implemented. There is another batch that I hope will be ready by the end of the financial year, so that 52 will probably reach 80 or thereabouts by the end of the financial year. The agreements that you will find in this document largely focus on what I would describe at this stage as single issues, and there is a reason for that. We are not trying to run ahead of the communities here; we are working at a pace that is comfortable with them. That means starting to gain their confidence to draw them into the process of identifying priorities and developing a response to them.

We will continue doing that next year, but we will also be working with selected communities to draw together everything that the Commonwealth does and, in a number of states and territories where we have the agreement of the state jurisdiction, we will be drawing the state activity as well into a single comprehensive agreement. For example in the Northern Territory, where we have a bilateral agreement, we are looking at proceeding in the next financial year with some comprehensive approaches to shared responsibility around the new Territory regional local government authorities that are being set up that involve the leadership of Indigenous Australians.

As you look through it, you will find that some of them are relevant to issues of employment but they are not all focused exclusively on that. They are designed to address priorities thrown up by the circumstances in the communities in which we have consulted or negotiated with the people. That also is indicative of the approach we are taking now with this bottom-up approach of customising the investment we make around the circumstances, the needs and the priorities of the community that we are working in. Concurrently, the government is looking at some top-down systemic change to the way programs are designed and operated et cetera, and more of that will occur in the next financial year.

CHAIR—I have a timing issue; I need to go to the House for about five minutes. It is the usual juggling act. Carmen Lawrence will take over as acting chair. In the brief time available, given the focus of the inquiry and, at a glance, the list of SRA activities, I ask: where would employment fit in terms of the overall focus, as you see it, within the coordination currently? How does it fit?

Mr Gibbons—Education and employment are critical to the development or success of any strategy to improve the circumstances of Indigenous Australians. In some situations it is possible to address employment directly—where there are opportunities, where there is a pool of people who can be trained and moved into the available employment. But there are many other situations where the environmental factors have to be addressed before you can even think about tackling the employment issue. I did not see you at the National Reconciliation Planning Workshop this morning, but Noel Pearson made a powerful point there that if we do not tackle the substance use problem in many of the remote communities we are not going to be able to do anything else because it is having such a devastating impact. So in some communities our efforts are focused on the environmental problems, trying to get communities stabilised and people off alcohol, glue or whatever the particular substance is. In other situations, we are trying to help the

people who are not afflicted by those problems break through some of the barriers to their participation in the work force. We support training; we support other interventions.

CHAIR—Can I just put it on its head, because I am aware the clock is ticking and I have to be somewhere else. The whole purpose of this inquiry was to endeavour to find the positive outcomes. Anyone can find the negatives in this issue.

Mr Gibbons—Yes.

CHAIR—So, within the mechanisms of government and in your experience, what is there to isolate or locate the positive and maybe learn something from that?

Mr Gibbons—When you work in this area you are confronted with so many problems you tend to—

CHAIR—I am well aware of that.

Mr Gibbons—Your mind is dominated by the problems and you often do not see the examples of things that are working, but there are good examples of success in a number of areas that have an important contribution to employment. I can name some and my colleague can name one. Given that I raised the environmental problem, I can talk of a program that has been running now since 1999 that has had very significant success in dealing with boys who come from remote communities and who were afflicted by the trauma of violence or substance use et cetera. It is from your state, Dr Lawrence, run by the Clontarf Foundation, which is a non-profit body set up to mentor boys, develop their self-esteem and position them in a school environment where they are able to progress. They kicked off in 1999; this is their fifth year of operation.

They have had a year 12 graduation, and they have now got 170-odd boys in years 10, 11 and 12. It is quite a remarkable transformation—and last year's class have gone on to employment. There have not been problems with recidivism. That is a remarkable example of taking boys out of a destructive environment and giving them mentoring and support—no special schooling—which have enabled them to succeed in a standard school environment. That model is being expanded as that foundation has been invited to set up the mentoring around other schools. That is a good example of something that is working and should be supported.

In another area, we tend to hear a lot about businesses that are supported by government subsidy that go belly-up within a short space of time. That is not the case universally. I know of an organisation, Yarnteen, that received a grant from government a decade ago to set up a small grain business in a country town. They have paid back the grant, they have expanded the business, and they are now a major regional grain handler—all Indigenous owned and managed. The characteristics of success are good governance and some business acumen.

In the Pilbara, there is no lack of work opportunities for Indigenous people. There are significant environmental and other problems in getting them into that employment. There was a partnership that involved a mining company, Indigenous Business Australia and an Indigenous organisation that set up a contracting business to contract work to the mines. That has been successful; it involves about 100 workers and it is achieving results where other methods up there have failed. Those are just three quick examples to suggest the diversity of challenges we

face and the diversity of responses that are needed to overcome the problems. There is no one easy solution, I suggest.

ACTING CHAIR (Dr Lawrence)—I will leave my questions until last, but just to follow up on that question for the chair, in a sense, are there any unifying themes or connecting stories between those successes? We could look at them all as isolated examples and say that they have just fallen out of the sky, but often you find that there are some common patterns or common underlying motivations.

Mr Gibbons—My colleagues might want to put a perspective as well, but for me the common theme that runs through a lot of things is addressing the environmental question. Here I must confess that our focus has been largely on rural, remote Australia, where the problems are most acute and the environmental issues are aggravated by infrastructure questions et cetera.

ACTING CHAIR—Do you mean ‘environment’ in the very broad sense of social environment as well?

Mr Gibbons—Yes, in a broad sense. Everything impacts on people’s motivation, their self-esteem and their capacity to take up opportunities. In the example in Port Hedland I gave, they moved to bring the workers into a protective environment and develop their capacity to work to meet the strict rules that mining companies apply for good reasons of safety et cetera. So their attention to detail, their attention to punctuality and things like that were developed within the protective framework. Then they were contracted out. It was an easier transition than if they had moved straight into the mine. Clontarf have used the boys’ love of football and the respect of anyone in it to get their attention and to progressively build through that and leverage self-esteem. That has helped them gain confidence in the school environment and they have moved on. Yarrteen is not in that category. It is important when you are investing in business to invest in sound ideas with good governance, which leads on to success.

Mr Yates—Just to ensure there is balance in the debate, about 60 per cent of those who are actually in the work force are employed. We tend to focus on the very high rates of unemployment or groups that are engaged through CDEP, but the majority of Indigenous adults are in employment and are taking advantage of the opportunities that are there. Capturing that story is important in its own right. Obviously success in the education system is an important underpinning to enable them to be competitive in today’s work force, but there is significant success.

We then have another group of around 20 per cent who are in CDEP, which for some is not a bridge to mainstream employment. The assessment that has been done often finds that people are being held within CDEP when in fact they could bridge into mainstream jobs. Part of the rethink that is going on at the moment, where CDEP is functioning in good labour markets, is about whether it is providing a bridge and not a destination for those people who are demonstrably capable of making it in the mainstream labour market in a full-time job or in a full-wage job.

Part of addressing your terms of reference is presenting a clear picture—a much more positive picture—of those who have been able to successfully make it in the labour market and to look at the circumstances of CDEP as a transition mechanism for those who may move through that into work. But there are those for whom unemployment is a reality and there is a dearth of market

jobs. CDEP continues to be an important community activity, but one of the hard issues that have to be confronted is: if there are very limited job opportunities within the more remote environments, how do locals get best access to those positions? Local jobs for local people initiatives seem to be extremely important. So you equip people to access whatever jobs there may be in the local community. The direction for shared responsibility agreements over time is to build in that bridging tool about identifying what jobs there are and then looking at the pathways to prepare local people to access those positions.

If they cannot access them locally, how do you actually connect people into education or work opportunities outside their community where it is inevitable that they need to go if they want to access those jobs but on the basis where they can cycle back through their community over time? We do at least give them connections into the real economy, even if that means some greater degree of mobility than they have experienced before. Clearly, for some, their success in the market economy has been born of their preparedness to move—albeit some come back and contribute to their community having attained those skills and experience in the mainstream labour market.

So it is about trying to capture the diversity of circumstances that is enabling those who are connecting well, as well as facing the realities that in remoter areas there are often very limited opportunities. In that case, programs like CDEP have to have a particular focus on community building activity so that the projects and purposes, for which CDEP is focused, will build sustainability in that community. I guess the current reform process, and about which you will be talking to the Department of Employment and Workplace Relations, is trying to confront that variety of circumstances.

ACTING CHAIR—Are there any further issues you want to raise before we go on to more general questions?

Mr Gibbons—No.

Mr SNOWDON—I have a series of questions about your submission. However, I do not think they are relevant to what we really need to know, frankly. We could go in for a long discussion about the role of the management structures and the coordination processes, but I do not think that is where we ought to be. I, for one, will be very critical of the structure which has been set in place and am very concerned about the supposed benefits of it, but I do not want to be distracted from the purpose of this inquiry by raising all of those issues right now. However, I will ask a question about coordination. I am interested in your observations about education and employment. I have been in this business a fair while now and to me the fundamental issue is education. I know remote communities very well, I know the issues of substance abuse about which you have referred and I heard Noel Pearson's contribution this morning. The underlying issue to me is really very basic. If you did a skills audit of the 40-odd per cent of my electorate who are Indigenous, you would find that most have attained an educational level of probably less than year 3 and that there are a group of students between the ages of 13 and 18, probably 3,000 to 5,000 of them, who have no access at all to educational facilities. I would like a very simple answer to this: what in your construct in the new administrative arrangements will deliver educational outcomes to those kids? I have a very basic view that if you are illiterate and innumerate you cannot get access to anything.

Mr Gibbons—We would not disagree with that. Health and education are fundamental to everyone. It is not an Indigenous preserve. It is critical to everyone's success. The problems with Indigenous disadvantage are diverse, as we know. In an urban area like Sydney, where there are no issues of infrastructure or lack of schools et cetera, you confront racism and other issues that create an environment that weakens the ability of the education system to service Indigenous people. In a remote community where there are largely Indigenous people, there are a range of factors that create an environment that renders the effectiveness of the education system pretty poor. State, territory and Commonwealth governments—and this goes back a long time—have tended to operate in silos. What the education department does in a particular area in a particular community has long been done often without the knowledge or any linkage with what other agencies are doing. That I think has been recognised as one of the reasons why government assistance and investment has not been as effective as it might be and many of the problems have actually got worse. I think one of the most positive outcomes of the new arrangements is the commitment of premiers, chief ministers and the Prime Minister to do a number of things. There is a commitment to work together, and that is not just about rhetoric but about meaningful agreement to align strategies, to break down the silos and to start to unravel the dog's breakfast that has grown up over many years in the delivery of assistance of all forms.

I have been involved in the bilateral negotiations with all the states and territories and I must say I have been—'surprised' is not the right word—very encouraged by the seriousness of the commitment to get together with us and sort out these issues. That means that if you are working in a community where this is in place—instead of 40 or 50 sometimes programs being delivered by 20 or 30 agencies without any reference to each other, with 40 or 50 different agreements and accounting obligations, and programs designed in Brisbane, Canberra or Perth and fitting the community into those programs—we are able to say: 'Well, forget our programs. We have got a combined resource. What is the best way of applying that resource in the interests of this community, given the circumstances that exist on the ground and taking into account the capacity of the community to lead, to drive, to own what we are trying to put in place?' You can criticise structures and other aspects of the policy, but I think that is a fundamental reform long overdue that will certainly see better results for Indigenous people.

Mr SNOWDON—I am not disputing that the breaking down of silos is a terrific idea. I ask how these COAG trials are going to be audited and what supposed outputs they are going to be audited against. Leaving that side, the basic issue remains that there is a real issue of budget here. All the agreements in the world will not resolve the problem until money is spent, and I am wondering what sort of priority there is in government to spend the money. You have mentioned education, housing and health. What about road infrastructure? I am not sure what role your structures have with John Anderson's department, for example, but if you have a role at all you might influence him to make sure that there is a fair spread of dough into remote communities. At the moment that has not happened. I am wondering what this whole-of-government approach really means. Does it mean that it is given the status within government that you say it has been given, or is it just a set of words which we all would support in terms of coordination but in the effective outcome there is not a lot to show?

Mr Gibbons—I can understand some of the cynicism, because whole-of-government rhetoric is not new; it has been around in one form or another for some time and there has not been much substance to it. I have to say that in this area in the last 12 months I have observed something that I cannot believe has existed since wartime. You have got a culture change being progressed

within the bureaucracy. That is a bigger challenge, I suggest, than communities. It is led at the top. There is not an area of public policy where all the secretaries involved meet once a month for half a day chaired by the head of the Public Service, the PM&C secretary, and a quarterly meeting of a ministerial task force with that group, two of those meetings a year with an advisory committee. It is a single budget process where individual ministers are no longer permitted to take a proposal involving Indigenous Australians to cabinet on their own; it has to go through a process of coordination. And, starting from the next budget, the budget process will be informed by an evaluation of what is working and what is not working. That has not been tried before in a whole-of-government context. It is still early days but there is no doubting the commitment and determination of the political and the administrative leadership to try and make change here.

That is also being mirrored in some of the states. Queensland have been on a similar track for some time. The secretaries of every agency, whether they have a role in Indigenous or in mainstream activities, have been assigned a community which they are to champion through regular contact. They meet quarterly; we attend that meeting of the CEOs, which is chaired by the head of the Premier's Department; and they report to the Premier.

I think out of arrangements like that, which started with the COAG trial, you have seen a transformation of a situation where, as somebody said at the workshop today, only seven per cent of Australians have ever come across Indigenous Australians. If you had asked that question at the top of the Public Service a couple of years back, you might have found a similar percentage. Now you will find that everybody has been out, has sat in the dirt, and has talked to Indigenous organisations and Indigenous people. And they do it regularly and are familiar with the environment of your constituency. And that has had a remarkable impact on attitudes within the Public Service. When the secretary of a department, the deputy secretary and the first assistant secretary have all been out—have all got their hands involved—it sends signals right down the organisation that things are changing. And it is not a little bit on the side anymore; it is mainstream business.

Mr SNOWDON—I appreciate that, and those sorts of initiatives are welcome. I would just make two observations: (1) there is no guarantee that they learn anything and (2) my experience at working in the bush is that, unless you have got a decent pre-visit, cross-cultural exercise going on so that you understand what cross-cultural and intercultural communication means, and you have got some understanding of the cultures that you are going to work with, the outcomes are going to be bad; people take away a view which may or may not be correct. Forgive my cynicism, but the cynicism is not about the lack of intent; my cynicism is based on what is around these people to make sure they actually understand what they are doing and understand the communities which they are visiting, the different dialogues and cultural mores that exist within those places. Unless that happens, they will, in my view, just perpetuate the problems of the past. But I will leave that aside.

I want to make two more quick observations, and I would like your response. One of the areas where I think, in terms of employment, there has been a serious shift is in the mining sector. And this has not been led by government. In fact, government has had to follow. I recall vividly the discussions and debates that went on in this country in the 1980s about land rights. I remember the attitudes of mining companies that opposed, particularly in the context of the Northern

Territory, the right of Aboriginal people to have a right to say no to mining on their land. And I remember vividly the campaigns.

Subsequently, of course, the mining companies realised they could not win the argument they were prosecuting. Then we had native title, and now we have got the mining companies—led, by and large, by the large players—who have actually initiated community development programs which are out to engage with communities. The outcomes, in my view, have been extraordinary in some cases. I guess I am asking whether or not the outcomes are premised on having a willing private sector partner, because in many places in Northern Australia in particular, whilst the job opportunities are obvious, the private partners are not. They might be obvious in terms of who they are, but their participation is a bit unwilling—although, in those areas which require access to land and require agreements, we have seen a very positive change. Raymatja Marika asked this morning about the trans-Territory pipeline. It seems to me that there is a real opportunity there for governments to work with the industry—in this case Alcan and Woodside—to get positive outcomes for communities across 900 kilometres, or how ever far it is. I wonder if that could be used as an opportunity to leverage some jobs, perhaps even some education, for those communities.

Mr Gibbons—In relation to the pipeline specifically there are some things I cannot say, because they are in train at the moment, but certainly the government wants to leverage the opportunity of the necessary construction of that pipeline to achieve the objectives that you have mentioned—education and employment—and will continue to put a lot of effort into trying to achieve that. A sea change has been slowly occurring with the big corporates, not just the mining companies. You are probably aware of the role that Woolworths, for example, have played in relation to community stores, development and mentoring. They are keen to see that continue. Others are now coming into that environment. That is not because they see opportunities for great profits but because they genuinely, I think, want to return some of the profit they have achieved in this country to some of the people who have been at the margin. That is a good thing. I know that there has been a little bit of a shift in mining company attitudes. I recall talking to Rio Tinto in Newman when they were going through their Indigenous recruitment efforts. Those efforts were commendable, but in order to recruit they had to go to Perth; they could not recruit locally because of the environmental issues. So now they are thinking not just about having a recruitment program but of doing something to try and help with environment issues.

Mr SNOWDON—Again, I am not going to refer to the submission, because, as I said, I have issues with quite a bit of it. I again make the observation that, even where CDEPs have access to labour markets that are outside of the CDEP, I think it is worth contemplating the fact that, for these people, their access to education is a limiting factor, not the jobs in terms of the CDEP being seen as a valid employment outcome. There are CDEPs where it is quite appropriate for someone to have started sweeping the floor, metaphorically speaking, and then decided that they want to have, say, the job in the office doing the accounts. They understand that to do that they have to go away to be trained. That happens. I am a little bit concerned that people might be portraying the CDEP negatively when it should be seen, in some instances, as a very positive process—because, if you actually provide the people for training, whether or not they are getting outside employment is largely irrelevant, as long as the job is being done. Where those CDEPs are undertaking municipal jobs that otherwise would not exist, it seems to me to be a very valid outcome for them to pursue.

This is not related to CDEP, but this morning Geoff Clarke raised a question about abalone. There is the example of Maningrida, where the community sought a licence to fish for trepang. The then Northern Territory government, in their wisdom, eventually gave the licence to a Tasmanian seafood company. So, instead of having a business opportunity and job opportunities which would have been accruing for the local community, the licence awarded by the Territory in this case went to an outside organisation. It is true along the coastline that, because of the way in which the Commonwealth, states and territories have issued licences to fish, Indigenous Australians are effectively being denied access to commercial fishery. Is anything being done to look at reforming those licence procedures to ensure that Indigenous Australians get a fair go at their own fishery?

Mr Gibbons—I do not know too much about what is happening on the licensing side but I can cite a couple of examples where we have gone to great pains to ensure not only that Indigenous traditional owners get access to a licence but also that it is set up in a way that enables them to succeed rather than fail. You are all familiar with the stories where grants have been made to communities who have rushed out and bought a boat, or the equivalent of the white shoe brigade have sold them a boat and they never actually get it into service, it deteriorates rapidly and it is a write-off quickly. In the Cape York context, last year—I think it was the beginning of last year—the Queensland government and we decided that we would respond to traditional owners' calls for access to fishing opportunities. So Queensland, who controlled the licence or had the licence, provided the licence with a value of \$3 million and we provided the matching funding to enable the community to enter the business.

But learning from the past, we did not just give them a grant to go and buy a boat. We tied some conditions around it so that they had to involve experienced fishing industry people on their board for a period to transfer knowledge. We tied conditions to ensure that a proper structure was set up. That resulted not in the traditional response of: 'Let's go and buy a boat and miraculously we'll sail out and catch all these fish.' They decided to set up a successful company that was not dominated initially by Indigenous people but that would draw over time Indigenous people into it. They had the leverage to guarantee that because they owned the licence. Without the licence, the company was worthless. From the last report I had, albeit four or five months ago, that strategy was working. So that is an example of a different approach that is designed to be sustainable.

In the SRA context, we are also helping some local communities—not on a large scale—get into crab farming. We have had some discussions in some other areas about inshore fishing opportunities. The more we do it with the state, the more we can draw together much more easily than we did in the past the relevant licensing authority, the relevant ministry et cetera and try to construct a package that is workable.

Mr SNOWDON—I will just make one observation. There is a news item, which I understand will appear shortly, about the Kakadu plum, which is an Indigenous species and the intellectual knowledge of which is held by Indigenous Australians, who have shown it to non-Indigenous Australians. It has been researched by the University of Northern Territory. It has been allowed to be exported for reproductive purposes to a company owned by Amway to Argentina or Brazil, which means it will be produced cheaply overseas. The intellectual property has not been recognised and the biodiversity conventions, in my view, have been breached. I can understand

why it may have happened but it seems to me a huge opportunity lost for Indigenous Australians in the Northern Territory and I wonder how it happened.

Mr Yates—Chair, just before we move to another topic perhaps, with regard to your point about education as a foundation condition, obviously a fair bit of the focus at the moment has been on how the money is being spent and how it can be used to better effect through more effective coordination and doing things with, rather than to, communities.

But clearly there will be situations where you get into a community and you discover that it is not how you are using the resources but where the resources that should be coming into this community with, say, a school-aged population of 500 or 600 are. Because only 200 or 300 are actually registered at the school, half of the money that should be coming into that community to support schooling is not going there, because the money flow is triggered on registration, not on the eligible number. We have a compulsory education system, but resources are being triggered by other things. The COAG trial in Wadeye, in which a big emphasis was put on actually connecting kids into the school, suddenly exposed what was a real crisis of funding in that when the kids turned up the wherewithal to provide them with education and facilities was not there. That is being addressed jointly, as I understand it, particularly by the NT government.

But these community based shared responsibility discussions can actually expose some of those real gaps and shortfalls where funding formulae might work very well in mainstream Australia but clearly are producing very inappropriate results where governments have to come back and say, 'If there are situations such as that, where there is a significant school-aged population which is not actually registering, you do not just go away and direct the funds somewhere else, you ask what we need to invest here to get those kids actually registered.'

Shared responsibility agreements are one tool, and certainly improving educational attendance and outcomes is showing up in quite a lot of the discussions that we are having, but it will require governments to look at the funding issues as well—not just how we can shuffle the existing resource but what we should do where there is a major breakdown. That points to some of the systemic issues that Mr Gibbons alluded to. Whilst there is a heavy emphasis on the bottom-up stuff, where it exposes systemic failures or where the formulae for funding—I think you alluded to the funding for local government or municipal services—we have got to grab that learning and bring it to the table in the context of a bilateral agreement. Certainly in the Northern Territory, where we have settled a bilateral agreement, the governments have acknowledged that they need to work through the situation with quite a lot of communities where the NT government believes it has not got the responsibility but the Commonwealth still does from the time that the transfer of responsibilities occurred. We have to come to grips with that and answer those questions about who is going to provide those basic services. So there is opportunity, and I accept that we all should be sceptical—there is a track record over 12 or 15 years that high commitments that have been made often go into the sand.

But we are encouraged that there is more learning taking root, and when you look at some of the methodologies that we are now trying to work with, many of them have found expression in the reports of this committee over many years, not just the more recent one, *Many ways forward*, but the *We can do it!* report from earlier. When you actually look at the learning which has been thrown into the arena and encouraged but has not taken a lot of root, there is an opportunity there

now. Certainly, as we shape those methodologies we are trying to take that learning and advice forward into the framework that we are now trying to roll out.

ACTING CHAIR—I am going to exercise the deputy chair's prerogative and ask a couple of questions before asking others to do so. As you say, your submission is really about the architecture that will enable progress in a whole range of areas, so we can presume that examination of that infrastructure is relevant to our terms of reference, and you have made specific reference to those on a number of occasions.

One of the things that bothers me a little is the distribution of the Indigenous coordination centres across the country. We do not need to tell you that the majority of Indigenous people do not live in remote areas, and we are very keen to ensure that whatever programs are available are made available to people in urban and large regional centres as much as they are made available in the more desperate and vivid circumstances that apply all over the country. So I wonder about the fact that you have 23 regional and remote and seven urban Indigenous coordination centres. How do you propose to deal with the fact that that does not look like a very adequate distribution, given the population?

Mr Gibbons—I can understand that. Let me say to begin with that we have not set all of that in concrete yet. We built that on the footprint of ATSIC a year ago. But there is a very different approach needed in rural and remote areas to the approach in urban areas.

ACTING CHAIR—I do not disagree, but problems are similar in terms of outcomes.

Mr Gibbons—Yes. But the ICCs are not like a Centrelink office. They are not a place where we expect Indigenous people to come for service. They are a base. We send people out. In Indigenous Australia plus rural Australia you have got all of the issues that confront Indigenous people everywhere, plus issues of infrastructure—housing, water, sewerage, power, poor roads, communication et cetera—and that is all compounded to create extreme health problems in some areas, as we know. There is no supporting infrastructure around these people and no supporting communities, so we have to have more people in the field to engage with them and to support them than we do in urban centres.

In urban centres the challenges generally do not involve infrastructure—it is all there. They generally do not involve subsidising business to create opportunity—the demand is there. We are starting to focus on how we can make sure that the mainstream services that have ignored Indigenous need, it is fair to say, for some considerable time are re-engineered to focus on that constituency as well. So our challenge at this point in time is more an engagement with governments—mainstream Commonwealth, state and territory governments—to expose the issues and start to draw some solutions up to get the mainstream working.

In your home state, Dr Lawrence, you will notice that across the road from the Royal Perth Hospital there is a \$6 million Indigenous health service, but you can go to remote communities where there is nothing. Why was it necessary to build a separate Indigenous service a crosswalk, literally, from the main Perth hospital? Because the main Perth hospital was not recognised by Indigenous people as meeting their needs. That had to be addressed, but the way it was addressed was to build a duplicated facility, because the mainstream was not interested.

ACTING CHAIR—It is more complicated than that.

Mr Gibbons—I know it is. I am simplifying it. But the government is tasking us with confronting those issues in mainstream services.

ACTING CHAIR—Discrimination is one of the questions.

Mr Gibbons—It is.

ACTING CHAIR—It is not that it does not exist in rural and remote communities, but they are in a community and they are the majority in those circumstances for the most part, whereas in urban Australia they are not. We had evidence just last week about what happens to successful entrepreneurs who identify themselves as Aboriginal. In a couple of cases their business took a nosedive. They had been successfully operating as invisible Aboriginal entrepreneurs and suddenly they had to kind of re-engineer their whole business in order to combat that discrimination. So I do not think we should underestimate the extent to which Indigenous people face that every day in urban communities—

Mr Gibbons—No, I am not. Do not misunderstand me.

ACTING CHAIR—and that is why they do not always use those facilities. So I think in some ways it is a tougher problem—

Mr Gibbons—It is.

ACTING CHAIR—because in the end they develop an attitude that says: ‘This school is not for me. This hospital is not for me. People don’t treat me with respect. My mother had a horrible experience there. I am not going anywhere near that place.’ It is an entrenched culture. Unless we confront that and stare it in the face then we are not going to solve some of these problems.

Mr Gibbons—I agree. I am old enough to remember the last days or years of White Australia. In my lifetime there has been a remarkable transformation in the way Australians treat foreign non-Europeans—Asians.

ACTING CHAIR—I would have said that until this week.

Mr Gibbons—For some reason we have ignored Indigenous Australians in that development of a multicultural culture. I do not know why that is. Maybe it is the separatism approach to keep Indigenous affairs quite separate from the mainstream that has allowed everyone to ignore it, but I do not know. I sense that getting the real issues onto the table is the only way to move on.

ACTING CHAIR—I have two very quick questions and then I will hand over to others. I was having a look at the shared responsibility agreements. Some of them clearly are related to employment, health and education, which are all inextricably linked, but I wonder at the cost benefit of doing some of these. I look at the amounts of money involved and think, ‘How much did it actually cost to get that agreement established?’ when you are spending \$45,000 or \$15,000. I know that it will cost more than that to fly to some of these communities.

Mr Gibbons—They are not the end of the process.

ACTING CHAIR—I appreciate that, but at some point somebody has to have a good hard look at where the money is going. Is most of it going to Qantas, regional airlines and accommodation or is it actually going to the community? They are little trickles of money; they do not look very substantial to me.

Mr Gibbons—That is true in a few of them at this stage, but we have not said, ‘That’s your agreement and we’re going somewhere else now.’ We are engaging with these communities and working at a pace that they are comfortable with. You can go to a community and see a broad range of need. Our brief from government is not to impose our solutions on the communities; it is to sit down and listen to their view on priorities and solutions and to develop with them an investment strategy that helps. We will take it as fast as we can, given the circumstances of the community. If you go to the Cape communities that have been involved in the trial now for three years, it is easy to talk—

ACTING CHAIR—They have had a longer experience of it. When I was health minister we started the process in 1994, so they have had more than a decade of experience.

Mr Gibbons—Yes. It is easy to deal with a broader, more comprehensive strategy, but some of the communities want to put their toe in the water first. There is a cost up front to supporting that, but we think it is important because we want their confidence and they want confidence that they can do it, as well.

ACTING CHAIR—Just to follow up very quickly, I have just had a quick look at the various agreements—I had previously seen some description of the Mulan one—and for the communities I know in Western Australia there are descriptions of infrastructure improvements and also services mainly around, it would appear from the ones I am looking at, cultural activities, sports, recreation et cetera. What are you building into these agreements from the Commonwealth’s point of view—or from the community’s point of view, for that matter—that would require or involve the local communities in some of the construction work? I notice that in one case it is a bit coy about it. It says, ‘The Australian government is funding,’ but it says nothing about who is doing the work.

Mr Gibbons—I can give you an example, but perhaps Kate would like to comment.

Ms Gumley—In the majority of the 50 that you have in this package, 19 of them have an employment focus and 21 of them have CDEP involvement. In the main where infrastructure is being put into those communities—

ACTING CHAIR—As part of the agreement.

Ms Gumley—as part of the agreement, the CDEP will be involved in the construction of that, depending on the size and scale of the job, either in terms of doing the work to supplement the contractors that might be involved or, depending again on the capacity of the CDEP organisation and on the skills and experience of the workers they have in their CDEP, they may well take on that contract for the construction as well. Some specifically focus on jobs, such as the one that Wayne mentioned earlier—Kullaluk, which is in Darwin. Their focus is around building an

enterprise in mud crabs, but they also have several commercial leases in the Darwin area. The shared responsibility agreement will look also at the potential for jobs in those other enterprises that Kullaluk owns and get people training through CDEP and moving off CDEP employment in that area.

Many of the other ones have an aspect where there are local jobs available for local people to use CDEP as that training environment. As Bernie was saying earlier, where there are not going to be sufficient jobs for all, that CDEP is involved in providing quality, meaningful activities. That links back to the CDEP reforms and the consultations that were done earlier this year, where the activities that will be put in place in each of the CDEPs now need to reflect what the community priorities are. And, where there is a shared responsibility agreement in place, such as in these communities, that will guide how CDEP operates there. Even though the CDEP reforms are only quite recent, the interest from communities on the ground has certainly been to use CDEP to the advantage of the shared responsibility agreement, to get local people involved and, where there are job opportunities, to get those for local people. While we have described it broadly as the Australian government, the Employment and Workplace Relations portfolio are very much involved, both through their mainstream services, such as Job Network, and through Indigenous employment program fundings and CDEP.

ACTING CHAIR—We will wait and see.

Ms ANNETTE ELLIS—Thank you for the briefing, because this is such an enormous area of discussion. I have made some notes, but sitting here I find that I could spend hours going off on different tangents, so forgive me if I start to do that. Wayne, earlier you made mention more than once about your view on the environment in which these people find themselves—the broader meaning of the word ‘applying’, I assume. We are looking at the possibility of programs that are going to create good employment outcomes, which is what we are interested in—not only what is there now but also what we can do to improve those outcomes. Can you explain to me how you see this? I find it very frustrating. We were just hearing comments a moment ago about CDEP, and I have written here: ‘Housing, health, municipal style infrastructure, works undertaken within communities’, all of which impact on the environment in which these people find themselves. I am not at all convinced that an SRA is the only way to go down the path of development in any of those areas. My experience in the past, although not as extensive as that of many of my colleagues, has been to see the most appalling examples, in some cases, of municipal style works being undertaken in communities to the detriment of their health and environmental concerns, let alone creating any employment.

We have heard comments that there is not going to be any more money for housing maintenance from the government. How do we even begin to pull together the potential? The potential is there. I was on the committee that recommended, nearly five years ago now, that CDEP be used in a constructive training process—that something be done to the system so that when people install water bores, build houses, install a rubbish tip or do the electrical wiring in houses, it is done with the view of trying to involve those community members in a training program as well. It may not be a CIT certified program, but it would be better than nothing. I am sorry to make this so broad, but that is how I see it; there are all these frustrations and yet there is a myriad of opportunities. Do we need only SRAs? There are only a few here. How many thousand communities are there for us to attempt to begin to address?

Mr Gibbons—I understand. It has been very frustrating working in this area because there is so much need and there have been so many players. It is like an orchestra all playing a different tune at once, and there has not been much of a mechanism to discipline the orchestra to play a single tune. In the housing area, just to give you an example, I have been frustrated during my time at ATSIC in trying to get a more rational approach to housing delivery in some communities. For example, our funding in a particular year might be sufficient to build 50 houses and we build one house in 50 communities, with the result that there is no net impact, you do not tackle the problem of overcrowding in any one community and the house is a wreck within six months. As well, we build a house on the assumption that one or two families are going to use it, which might be fine in a rural town or a suburb. But, in a community where there are a lot of itinerant and seasonal visitors, if we have put in a house that has one toilet, one bathroom and a kitchen in the middle, and suddenly 60 people want to use it, it is a wreck.

It has been very difficult to change those approaches because there were too many players. One of the encouraging things emerging now is that, if you have a look at the Northern Territory agreement, you will see that we have decided two players at the government level in housing in a state is one too many. That is duplication, overlap of administration et cetera, so we have committed to get out of supervision administration. We are negotiating a strategic level agreement. We will hand over the money to the Territory under conditions where we have agreed 'where' and 'how'. We want to try to achieve what I would call normalisation, where we put the provision of infrastructure—in this case, housing—on a longer term planning basis and we change some of the methodology for delivery so that, if we are tackling particular community in the first half of next year, we build enough houses to make a net impact on the overcrowding problem and we make allowances for the circumstances. So if it is a community that doubles its population in the dry season, we build external wash facilities, toilets and cooking facilities so that people do not have to invade and wreck the houses et cetera.

I think we will soon have an agreement with the Northern Territory that will recognise the need for all of that. And that will be a very important change in approach. It is not just a change in administrative arrangements. As you know, governments make a host of changes from time to time. It is the underlying methodology that is significant here. I think that will see some benefits. We are also keen to see funding for what I would describe as universal services—power, water, sewerage et cetera—normalised. Do you have to worry about whether the sewerage pond is drained at 4 o'clock every afternoon or need to turn the power on for the pump for the water supply? No. But in many of these communities it is left to untrained locals to do all of that. And all of the funding comes from annual discretionary ad hoc grants. So another part of the systemic change we are trying to drive is separating the discretionary over and above assistance designed to help people overcome particular disadvantage from the normal services that should be available to all Australians.

Ms ANNETTE ELLIS—I will just talk, very quickly, about education. Again, in the same vein, in all of those communities there are young adults or adults who have what Warren was saying earlier on: very, very poor background education. They are in a CDEP program now doing something—we are not quite sure what, a lot of the time. What sorts of plans are there in place for those people to get their fundamental education levels to a point where they can fundamentally be trained up at a CDEP level in a true sense, not in the way they probably have been? Up until now they are on a CDEP and most of them would love to be trained and to do something, but they are missing that fundamental education basis underneath them. They are all

still there and they are all still being produced in that fashion. So what plans are afoot to attempt to deal with that, which is another level of an education concern?

Mr Gibbons—Mr Yates has mentioned in part what is happening with CDEP. There are several parts to the reform. I suppose the first is to change the administration arrangements so we have more confidence that whatever is agreed with the community about how CDEP in their particular location will operate is actually delivered. That would address a problem that has bedevilled not all but many CDEPs—that is, the poor management, poor governance or the periods or the cycles of poor governance.

What the actual CDEP does we are seeking to negotiate with the community. We are not, if you like, setting up a CDEP over here and saying, ‘Over to you; go and do what you think is best.’ We are setting up a platform to run a CDEP, and we are sitting down with a community and negotiating, through either a regional agreement or a shared responsibility agreement—which is the local level—how they want to apply the resource of the CDEP in their community. In a remote community where there is no labour market and no large economy, that will be focused very much on sustainability of the community. In a place like Port Hedland, where at any one time there are 300 jobs going, the CDEP will have two roles. One is sustainability of local communities, but another will be, as Mr Yates explained, a bridge into the real world, the real economy. In that context, the full resource of state and Commonwealth training education is integrated into the strategy.

Ms ANNETTE ELLIS—Finishing off on this question, say you have got a 25-year-old Aboriginal fellow in a community that is relatively remote, and he is going to get trained, hopefully, through CDEP or whatever, to become the local handyman. If he cannot read, then the chances of him being able to participate more fully in that level of training are small. That is the point I am making, and I know you understand that very clearly. It is another level of education that is required.

Mr Gibbons—But you cannot deal with it in isolation

Ms ANNETTE ELLIS—No, you cannot. That is why I am saying that there needs to be something fundamentally done to the process to address that.

Mr Gibbons—You can go into a community where you have that circumstance, as you have described, but the community is traumatised by substance abuse, violence, et cetera. So providing training and education has a zero return. The community elders—particularly the women, who are the drivers behind some of this SRA—will tell you that you have got to start and stabilise and do something about those evils before investment in these other areas will produce results. In another community you do not have that problem.

Ms ANNETTE ELLIS—Yes. I understand. I would like to touch on Woolworths and the store thing for a minute. We have heard that mentioned by others, and I am not for one minute critical. I do not want to give the impression of being critical of what Woolworths are doing, but I want to ask again this fundamental question. I noticed that in the Minjilang agreement, reading it very quickly, there is going to be some activity within the agreement to do with the store. All the store profits are being returned to the community, and good food staff will advise on the type of food being sold to ensure it contributes to the community’s health as part of the SRA.

My question is a comment as well, and that is: my experience, although it is now three or four years old, has been that there were many stores around many communities that were, quite frankly, corruptly run, at the worst—or, at the least, mismanaged. Supplies of food to some of the geographic areas were a bit corrupt; if you could not get through on the road and you had to go through by water on a barge, the costs would go up. All these sorts of things have been relative. In some cases, some communities were being ripped off, and the biggest advance a store could ever announce was a hot chip fryer—and everybody got excited. On that sort of background, can you explain to me what Woolworths are actually doing? Is it pure mentoring, and are any of the store profits still going the way they used to, and that is, in a lot of cases, back into the communities? How does Woolworths link into that? Again, I am not aiming this at Woolworths; I just want to understand the process. And then, from the point of view of employment, how do we then use the store development as an employment base within the communities—particularly for younger people?

Mr Gibbons—I used the example of Woolworths because I think it was a better practice model of how the corporate sector could, in a non-profit way, bring their expertise, their buying capacity or whatever facility they have of relevance to better the circumstances of a community. Kate might like to talk about that example, and then I will talk about some initiatives we are contemplating more broadly in the stores area.

Ms Gumley—The Woolworths case was through the Indigenous Community Volunteers, whom you might have had some contact with. They bring in volunteers to do skill transfer with a community. An experienced Woolworths store manager was relocated with his family to Beswick, outside of Katherine, and he took the Beswick store out of receivership. They had local employees but, because the store had not been well run, those jobs as well as the store's operation were at risk. Over, I think, a 12-month period that store got back on its feet, and it still had local employees. As a result of the ICV placement—the Woolworths manager, who had quite good skills to transfer—the store revised its food ordering arrangements. They are now working with Nyirranggulung, which is the regional authority for the area, and are looking at what they can do in a number of other areas. We have also been working with the Arnhem Land Progress Association, ALPA, and Minjilang on a couple of stores. In those areas, they put in place local employees on paid real jobs, not CDEP jobs, and look at how they can improve health and nutrition with good food policy and put in place, I suppose, those things that support local people being employed: talking at a community level and with families about things such as not pressuring local staff for credit or for free items and the sorts of things that enable local people to hold onto their jobs without pressure from community members.

There is another thing that I thought I might bring to your attention. There is another community, Alpururulum—which is probably closer to Mount Isa, on the NT-Queensland border—where a CDEP organisation, Southern Barkley, has been working along the lines that you are explaining using their CDEP to provide opportunities for people to get into work. As a result of that, they have actually got contracts of about \$1.7 from IHANT for the construction of houses. They also have contracts to maintain the roads in their local community. They have taken on 13 apprentices and they have had nine community members transfer last year from apprenticeship arrangements into actual full-time paid jobs.

As Wayne was saying earlier, the sorts of examples that are in here are really to show communities how other communities have approached shared responsibility and how shared

responsibility agreements build on other initiatives started by communities. We can then provide more examples, by way of case studies, to other communities to show them ideas and how other communities approached it.

Ms ANNETTE ELLIS—In regard to the Beswick one, did Woolworths pay for the Woolworths manager who moved up?

Mr Gibbons—Yes.

Ms ANNETTE ELLIS—Was that part of community volunteers? That is what I am trying to get an understanding of. Did they put him in there?

Mr SNOWDON—It was done in conjunction with the Fred Hollows Foundation. To give you an update: towards the end of the period that the bloke was there, the non-Indigenous employees who had previously run the store were no longer there and the woman, in the case of Beswick, who had been working in the store, I think, for 16 or 17 years became the manager.

Ms ANNETTE ELLIS—That is an excellent outcome.

Mr SNOWDON—There was a very positive outcome.

Ms ANNETTE ELLIS—The community still owns the store?

Mr Gibbons—Yes.

Ms ANNETTE ELLIS—I wanted to get an understanding of how it was working.

Mr Gibbons—Everywhere that one goes in remote Australia, if you talk to women in particular or the nursing people from the medical services and ask, ‘What is the one thing that we can be do that would have a positive impact on health?’ they point you in the direction of the store. I have been to a lot of stores, mostly poorly run, sometimes corrupt. But, even when they are reasonably well run, they suffer the problems of scale—they do not have the buying power and when you are running a single store and you are buying from Perth or Darwin and you are thousands of kilometres away there are significant transport costs—it just does not make much sense.

Senator CROSSIN—Absolutely.

Mr Gibbons—So we have not taken this very far yet, but we are giving some thought to whether as part of regional partnership arrangements we might support broader cooperatives. We are talking to some of the bigger players, like Woolworths and Coles, about getting some support for that so that individual communities can own their store but they can access the buying power, the skills and the facilities for distribution of the bigger players.

Ms ANNETTE ELLIS—The chair will recall that we were so bolshie—for want of a better term—about our views in that earlier report in relation to stores because we had picked up that you would get a pretty crook manager and he or she would then, after completely stuffing a store up, emerge somewhere else and then somewhere else again.

Mr Gibbons—They do.

Ms ANNETTE ELLIS—We were of the view, where we not, Chair—correct me if I am wrong—that we should just publish their names and let everybody know that you cannot employ them.

CHAIR—That is right. In the subsequent report we recommended that they have a check.

Ms ANNETTE ELLIS—Yes, a means of checking the bona fides of store managers through such a process, because what was being done in some of these communities was just awful.

Mr Gibbons—Some communities have banded together and have now got very good practice arrangements. Warburton is a good example. It comprises 13 communities, and it runs a purchasing and distribution operation in Perth for all 13 communities. Their stores are very impressive. They have labelled everything with coloured labels that are relevant to people with diabetes or heart conditions or whatever, and the simple people who do not understand can just follow a colour or avoid a colour label to avoid foods that are dangerous for their conditions et cetera. That is all an initiative from local people supported by their getting together and creating a bigger economy of scale et cetera. That is what we would like to encourage.

CHAIR—In New South Wales, with Murdi Paaki I would presume there would be a link with that existing COAG trial. Is that correct?

Mr Gibbons—Yes.

CHAIR—It is part of a larger package with the state. Do you have any idea what the total budget will be under the general title of improving living conditions? Take it on notice if you need to.

Mr Gibbons—This one was an initiative as a part of the COAG trial—if I am referring to the right one. We were approached by the working groups out there, who said: ‘There is a lot of old housing stock that does not have evaporative coolers. During the day temperatures are up around 48 degrees, and it is still 40 at midnight. As part of the community’s plan for a healthier environment, particularly an environment conducive to children in schooling, we would like to put in evaporative coolers and could we negotiate around that?’ We have concluded an agreement whereby we are providing the funds and the manufacture of many of the elements that go into this system—the pressed metal ducts and things—are being done in the CDEPs, and installation is being done by the CDEP with some appropriate licensed technical support. With the agreement of the community we are leveraging this provision to create some incentives for people to achieve attendance goals et cetera through tenancy agreements. So if you pay your rent and you have got kids and they attend school you will get an evaporative cooler installed by the CDEP. I think I got that right.

Ms Gumley—It is also about providing opportunities. This is an agreement that covers the region for Murdi Paaki. The specific detail of what goes on in each community will be signed up to at a community level but it will include things around families supporting their children at school. So it will be getting involved in sporting competitions, homework centres, arts and

crafts, community clean-ups and the children's education as well as that tenancy agreement that Wayne mentioned earlier.

CHAIR—Is there a requirement for state contribution? They would have a significant interest in education and housing and that sort of thing.

Ms Gumley—Yes, they do. In fact, in the Murdi Paaki region, the two lead agencies are the Department of Education, Science and Training at the Commonwealth level and the education department at the state level. So both of those agencies have the education focus and are very much looking at how they can get better education outcomes for it. The New South Wales government is going to administer the funds and provide the technical support around how the aircon is put into place and it is also going to make sure that the units are maintained. It will provide training for what it is calling 'healthy housing workers', who will at a family level go through with families about maintaining the house.

CHAIR—Who is the bookkeeper? Who minds the gate with our state friends?

Ms Gumley—In terms of administering the funds? It is the New South Wales government that administers the funds but it is being released at a community level subject to the signing of a shared responsibility agreement, which the Commonwealth is a signatory to. So there is a governance process in place for us and the state to work closely together.

Mr Gibbons—And it is tied into the tenancy agreement.

CHAIR—Forgive me but I am wary of my state friends sometimes. I would be feeling reassured if someone said that that was a transparent process so that the cash is accounted for.

Mr Gibbons—We are wary of circumstances where money has disappeared like water into dry sand so we have paid particular attention everywhere to seeing what happens to the money that we invest.

CHAIR—Therefore, my question in all of this is about the time line and the process because it seems to me that, with regard to the integrity of these programs, it should not become a rather silly game. I just want to be reassured that the state is in this genuine COAG sharing relationship—that there is not only a shared responsibility agreement with the community but a shared responsibility agreement with the appropriate agencies. That is the purpose.

Mr Gibbons—The money has been made available on condition that we have to be satisfied at the end of the day that it is buying what we have committed to the communities. I state it is part of the agreement.

CHAIR—I do not intend to go any further on it at the moment but I just would be reassured if someone at some point—and we are probably asking for it—would take me through the financing and who is doing what, because I am wary of these things. I have two more quick questions. Redfern is an interesting place. Do we have any possibility and any demand for a shared responsibility agreement in somewhere like Redfern?

Mr Gibbons—Redfern and La Perouse are obvious locations in the urban context of Sydney to start talking about SRAs. The New South Wales government has approached them about working with them on the Redfern-Waterloo redevelopment plan that they have got.

CHAIR—Forgive me; is that somewhere near the Block?

Mr Gibbons—It is the whole of Redfern and Waterloo; it is not just the Block. I think their approach to this is that, rather than making it an Indigenous issue, they are trying to tackle a whole community regeneration. We have certainly signalled our interest in working with them on that. I think we have in La Perouse started some work with that community with a view to supporting them through a shared responsibility agreement.

Ms Gumley—On La Perouse there is a shared responsibility agreement under negotiation at the moment. The sorts of aspects that it is covering are working with the community around housing, both on tenancy issues and maintenance of the properties, and documenting the history of the La Perouse community. There would be individual and family obligations in that as well as investment from the Australian government, being OIPC and Family and Community Services, which now has responsibility for the housing and infrastructure program.

CHAIR—That is all the information I really need; I was just interested to know whether or not it was on the radar screen, and clearly it is. I know that Victoria and Shepparton are, but is Rumbalara in there somewhere or not? You are probably a little way from finalising that, I presume.

Ms Gumley—Because the Shepparton agreement was one of the COAG trial sites it was one of the earlier agreements, so it does not have community or individual family obligations involved in it. The COAG agreements were the forerunners to what we are doing now through shared responsibility agreements. They are known as ‘compacts’ and involve a compact between the Victorian government, the Australian government and community organisations in Shepparton. Rumbalara, along with others, is involved in that.

CHAIR—That really leads to the wider question about the interface between the COAG trials and the shared responsibility agreements. You have possibly already done so for the committee, and I can read the *Hansard*, but it might be useful if you could give me a quick snapshot of an early one, such as Shepparton or Wadeye.

Mr Gibbons—We started off, as a result of the agreement at COAG, with some trial areas. There is one in each state, and there is for each a lead secretary from the Commonwealth. Within these trial areas we were free to experiment. As a result of last year’s COAG agreement, the Commonwealth and the states have agreed to negotiate bilaterally an agreement for cooperation in this area to tackle overlap, duplication, alignment of services et cetera and to allow innovation to flourish in addressing some of those problems. It will depend on each state but, in a place like the Northern Territory, Queensland or South Australia, I think it is fair to say that what has been possible in, say, the Cape area or the Wadeye area, will now be possible across the whole state. We will still have a project around the Cape and we will still have a project around Wadeye, but we will be able to operate innovatively in a collaborative way right across the state or the territory.

CHAIR—You can be a bit more discrete in your community than in the broader context, but—

Mr Gibbons—I think what will happen, as you will see emerge soon, say, in the Northern Territory or South Australia, is that we will have a framework agreement, and then we will have schedules that will set out the terms of a project or a particular activity that we are going to work on. You saw in the Northern Territory agreement housing, arts and regional authorities as the first schedules, and we are negotiating for further ones to be added. In South Australia we have a joint project in Yalata, outside the COAG trial, where we are jointly working together, and we are looking at adding others. I think the COAG trials will sort of evolve into a bilateral Commonwealth-state or Commonwealth-territory agreement.

CHAIR—The Tiwi issue comes to mind—although that is in the health area—which was a separate bilateral arrangement, wasn't it, in terms of the—

Mr Gibbons—Part of this whole exercise is to bring all of those disparate elements into some coherence. The existing bilaterals—say, on housing, health or whatever—will be reviewed and brought into a Commonwealth-state framework.

CHAIR—We could be here for very long time discussing this—how long is a piece of string!

Mr SNOWDON—What is in those bilateral agreements to inform the agreement of what Indigenous priorities are? For example, in the case of the Northern Territory one, there was no discussion with the community about it at all. How does it become a valid agreement, apart from being an agreement between two governments, if it does not have any Aboriginal input?

Mr Gibbons—The bilateral is an agreement between two governments. The relationship between the governments and the community is either at the regional level, through a regional partnership agreement, or a shared responsibility agreement.

Mr SNOWDON—I appreciate that, but how are these bilateral agreements informed of Indigenous priorities?

Mr Gibbons—The Commonwealth contribution to the bilateral agreements was informed by its determination of priorities, which it consulted the National Indigenous Council on. The territories and states have different mechanisms for determining their priorities. Interestingly, notwithstanding different approaches, the priorities generally line up. They involve safer communities, early childhood health, mental health, economic development and employment opportunities. They are broad priorities for government. The priorities for investment in communities have to be consistent with those broad priorities. But it is at the regional partnership or shared responsibility level where we pick up the local community priorities.

Mr SNOWDON—I think that is scandalous, frankly. There is no-one in your advisory group who comes from Central Australia or who, in my view, has any understanding of Central Australia. I am unsure about how you get advice on that issue. I think it is a major national scandal that none of the state or territory governments have a process to inform themselves of Indigenous priorities apart from what they have set up locally. There is nothing in the Northern Territory. I do not know how that agreement, which has been signed between the

Commonwealth government and the Northern Territory government, reflects any priorities. Even though those agreements might coincidentally be informed by discussions you have had, there is no process that I am aware of that informs those agreements of Indigenous priorities apart from structures which have been determined by government.

Mr Yates—At a high level those broad directions align with the key outcomes of the *Overcoming Indigenous disadvantage* report, which were tested with Indigenous representatives at the time it was developed. They are not really contested grounds. They become more contestable, obviously, if you say that housing and health are key priorities in a particular region. How you address that issue clearly has to involve engagement with representatives there. I guess that is where the critical contribution is to be made. Obviously there is a wider debate about representation.

Mr SNOWDON—We have different views about this. I should say that I do not see that you and I have different views. But I think there is a difference in view between me and the government and certainly between the Labor Party and the government.

CHAIR—The committee has a number of other questions that it did not cover today. We will be writing to you for a formal response on those issues.

Resolved (on motion by **Ms Ellis**, seconded by **Mr Snowdon**):

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

Committee adjourned at 5.19 pm