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**HOUSE OF
REPRESENTATIVES**

STANDING COMMITTEE ON ABORIGINAL AND TORRES
STRAIT ISLANDER AFFAIRS

Reference: Indigenous employment

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DARWIN

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HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON ABORIGINAL AND TORRES STRAIT ISLANDER AFFAIRS
Monday, 11 July 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, Mr Robb, 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 8.29 am**BREE, Mr Dennis Patrick, Chairman, Northern Territory Government Task Force on Indigenous Economic Development**

CHAIR (Mr Wakelin)—Welcome. Although the committee does not require you to give evidence under oath, this inquiry is part of the proceedings of the parliament, and we need to mention that to you at the beginning. I invite you to address the committee and then we will have a discussion.

Mr Bree—I am here as the chairman of a task force that reports to the Northern Territory government's cabinet. Do you want me to make an opening statement?

CHAIR—It is entirely up to you; we can go straight into discussion but perhaps you could set the discussion up. We have the brief and we have glanced at that. An opening statement would be valuable in teasing out where we think things are at.

Mr Bree—I think it will be valuable to explain what the task force is, where it fits in and those sorts of things to give you some context. In late 2001 the Northern Territory government had an economic development summit and one of the five streams was an emphasis on Indigenous economic development. Further to that, in 2003 the government held a forum on Indigenous economic development and one of the outcomes of that was that a large group of people suggested that one of the things that was required was a high level coordinating body to look at all the efforts that were being made in this area of Indigenous economic development. Subsequently the government set up a task force and the representation on that task force comes from not only the Northern Territory government, from which there are three members, but also the Australian government, Indigenous organisations and private sector people—both Indigenous and non-Indigenous. So it is essentially a broad ranging group of people whose brief is to try to coordinate the efforts in this field. It has been going now for just on two years. I will leave behind a little documentation, but one of the most important things they have done is to develop an Indigenous economic development strategy, a copy of which I leave here. That was released about two months ago.

The philosophy behind this group of people really is one of attempting to do things rather than talk about them—I think that would be a summary of the way they approach it. As is often the way, you invite busy people along to something like this and they just want to get in and do things, and I think they have. They come from a broad view that in the Territory you have a fairly stark choice in this field of endeavour. You all know that the statistics on Indigenous health, education and general economic wellbeing are not very good. The choice really for the Territory is whether we let that trend continue, where we have a large proportion of our population economically disconnected—and we all know the statistics on wealth, health, longevity and things like that—or do we have a community in which all people both contribute to and benefit from what is a pretty resource rich economy. Clearly, the latter is the choice that most of us would make. While Indigenous issues are important for Australia as a whole, for us Indigenous issues are mainstream. It is what we are and what we do. There is also a timing issue and some of the stars have become aligned over the last couple of years. The current Northern Territory government's view and approach on these matters have raised the importance of Indigenous economic development and an enormous effort is being put into it.

This higher level of focus by the Australian government over recent years in this matter has led recently to the signing of the overarching agreement on Indigenous affairs between the two governments. This is a personal view, but I do not think I have ever seen such high levels of cooperation between the public servants in both areas during my time in the public service, and that goes back to the seventies. It is a very positive thing. It is the task force's view that it is only by the coordinating and focusing of efforts that we will get the outcomes that most of us are after.

They are general comments on where we are. I would summarise it by saying that we have a positive view of the future in this area, but we recognise that the time frames are long in what we have to do. Persistence and focus are keys to it and learning from what we do is incredibly important. One of the members of our task force has said that the field of Indigenous affairs is littered with the unintended consequences of people trying to do good things. We must learn from that. That is our philosophical approach. I am not quite sure where you want me to go next.

CHAIR—We will have a general discussion. I have got a few questions of my own to ask and in our brief we have got a few things we would like to explore.

Mr Bree—I was going to suggest a very quick outline of the approach that we have with things that are being done. Would that be useful?

CHAIR—Yes, two or three positive examples. I know the railway had some positive things to say and people we are seeing later adding to that through the day.

Mr Bree—That is what I am not sure about; I do not want to duplicate some of the stuff. You need to remember that this is a body that looks at the whole field and its role is really to network and bring people together rather than do in an operational sense, although it does—

CHAIR—We have got some basic statistics, but what are the estimations of employment and unemployment? Does the Territory have a stab at that? On the other side of that, what sorts of things are seen as the biggest blockages to positive outcomes? Can you make a couple of points there? Do you have stats on that?

Mr Bree—I have got some statistics. I hasten to add I am not an expert.

CHAIR—Don't let me interrupt your positive stories, because that is what we are very interested in, of course.

Mr Bree—The levels of unemployment are incredibly high. We are working on some work that was done by Taylor in 2003. You probably have access to that report. The figures are startlingly high. The summary of it, and one of things that drives us if you want to look at it from the positive end, is that Taylor has set us all a bit of a target in this field—that is, if we want employment statistics to be colourblind within 10 years then we need to produce 2,000 jobs per annum for Indigenous people. We have accepted that as a desirable outcome and we have worked our strategies around it. We do not have the hubris to set that as a target, but it is certainly the thing that—

CHAIR—No, the general point is well made. It sets the scene and it shows the challenge ahead.

Mr Bree—The challenge is very high. In terms of some of the things that need to be done, I always say that we are working with what we have got today, but if we want to have a really positive future then education is the key to this issue. There is, at last, some statistical evidence that things are changing in that field. It is both positive and negative to think that two years ago we had the first kids get through year 12 in the bush. It is a shame that it took that long, but it is good that it has started. Now those figures are starting to be built on in other communities. The challenge that we accept as a task force is that it is important that those kids, as they come out, never get into the unemployment situation. It is a matter of linking up with those communities to make sure that if those students want to move into work in the community then we start providing some opportunities. We have a program—

CHAIR—And an understanding of what they see as their opportunities.

Mr Bree—Absolutely. Understanding aspirations is a large part of what we have to do, and at the present moment we do not purport to in that area, by the way. A continuing discussion is required to understand that. As an aside, I would think that aspirations for us all are informed by our understanding of our options. One of the very sad things is that people in communities often are not aware of their options or do not have those options discussed.

CHAIR—And it might be that they see a very strong option in, for want of a better phrase, the ‘welfare model’, and are not able to create another option to that.

Mr Bree—One of the saddest things I have seen in an area that was meant to be positive is that one of our community government councils had as its first priority to run a good CDEP program. To me that is a pretty low target. But they meant it well. That is what I mean in terms of people understanding their options and the need to have a discussion with kids about their future and what they want to do. Then we can better approach it. This may be a little rambling, but I think there is whole range of potential aspirations out there that we have to prepare for.

CHAIR—Can you give us examples of two or three positive options that you have seen, and examples?

Mr Bree—I would be happy to. In terms of the range, there is the Caring for Country program that the Northern Land Council has been operating for a while, where many communities have developed a range of programs that look at a variety of things. They provide services to our quarantine service. They provide services to parks and wildlife. In some areas they are looking at the development of wild food collection. They are looking at traditional foods being grown in a more organised manner, providing little turtles for aquariums and a whole range of things that are economically productive.

In that area the Australian and Northern Territory governments have to look at getting some of those services on the cheap because, in terms of managing our very remote environment, we have an interesting challenge in the north of Australia. In most places environment is degraded through overpopulation. We have exactly the other problem: we are underpopulated to manage it. If you wanted to send out people, our usual professionals, to manage that environment, you

would pay a lot of money. We have people effectively getting paid CDEP to do that job. So we have to think about some of those things. We have to think about the role of leadership in communities and the importance and economic value of things such as traditional and ceremonial leadership.

CHAIR—Is there one or two specific positive examples that come to mind?

Mr Bree—There is the Caring for Country program at Maningrida. That is very important. It is at a number of places, so I will not go into the detail. At the other end of the spectrum, in terms of wealth generation the approach of the Larrakia around Darwin in setting up the Larrakia Development Corporation has been a very important one. In summary, they have set up a structure that focuses on profit outcomes. I think that is one of the great lessons: Indigenous businesses often try to solve the problems of the world by social outcomes as well as economic outcomes. In my view and I think in the view of many, that is going to end in tears more often than not. I say: pay for the social outcomes out of the profits—do not make them an expense line. Larrakia Development Corporation is doing precisely that and has moved from essentially zero capital, through land development in the main—leveraging some native title assets—

CHAIR—The committee visited them in some detail last time.

Mr Bree—As you know, they are a pretty good organisation and they are doing very well.

CHAIR—They have been generous enough to send us some photos of our last visit, with two local members appearing prominently.

Mr Bree—That is good. I will give you another example, which I think is a very heartening one and came about from collaboration—that is, the pastoral project bringing Indigenous land back into pastoral production. A particular site that has been most successful is Amanbidji Station. The whole program came about through land councils, our primary industries group, the Indigenous Land Corporation and Employment and Training here getting together and providing persistent, long-term support. Amanbidji Station has turned off its first muster and it has come back from being a completely unproductive property—

CHAIR—Can you give me a geographic description?

Mr Bree—Out in the west along the highway to WA. It was previously called Kildurk Station.

CHAIR—We will go to questions. Mrs Vale has a question.

Mrs VALE—It was not a question; it was an observation. Dennis, thank you for coming and informing us. You made the comment about education being a key. You asked someone, ‘What do you think your future is?’ I think that has to be the main driver for any advance: having a concept of future. From my observation, having that concept of future is quite a challenge, because then you can think about what options are available to you. You said that you see education being an important strategy and we all know it is. What measures have been put in place in the Territory or even in Australia so that we can ensure that each Aboriginal child gets the best available education that we can offer? Do we have any? Is there anything we can do?

Mr Bree—I am not an expert in this field at all. I am an observer, like any other citizen. I do not have the answers. I guess if the answers were there, we would not have the problem. One of the success stories that I have observed—if you will take it in that context—is at Wadeye, which is the COAG trial. We had an overcrowded school this year and I never thought that we would live to see the day. My observation is that that came about because the community talked it through and came to the conclusion that it is valuable. I do not think there is any rocket science in it. Sitting around here saying that kids should go to school will not make it happen. It is about having a proper discussion with communities regarding, as we said, their aspirations and then if we have anything to say it is about advising them on how they might achieve them.

Mrs VALE—It was a community decision—

Mr Bree—Absolutely.

Mrs VALE—seeing the value in education and they have encouraged the children to attend?

Mr Bree—Yes.

Mrs VALE—So the direction came from the parents?

Mr Bree—My understanding is that is where it came from. There has been broad community discussion over a number of years about where they want the community to go and then there has been an assessment that education is a really important part of that. If you have that discussion, I guess we would all say that that will be obvious. I think the challenges then are: how do we provide those services? Clearly, if you have overcrowded schools—as we have at Wadeye—it will not be a good educational situation. My understanding is that the numbers then dropped off, because in some circumstances it was a pretty unpleasant place to be. But, as you may be aware, the Territory government has committed significant funds to build a secondary school facility out there. So access is important, I think.

Mrs VALE—Absolutely.

Mr SNOWDON—There is a bit of a contradiction in some of the things you have said, in particular about CDEP. You said that the community had as its major objective to get a good CDEP program operating. Isn't it true that some Ranger programs would not operate if it were not for CDEP?

Mr Bree—That is exactly right.

Mr SNOWDON—I think we need to be thinking about how CDEP is also a community and a Commonwealth asset.

Mr Bree—Sorry; I did not mean by that comment to devalue CDEP. In my view, it is a critical part of the strategy out there. There is no question about that. To put that comment in context, I would have hoped that there would have been higher levels of aspiration.

CHAIR—In fairness, it was probably under a general comparison I was making between the welfare approach and other options.

Mr Bree—The value of CDEP to the Ranger program is absolute. It would not be there without it; there is no question about that.

Mr SNOWDON—I think we need to be thinking about CDEP as an economic activity in itself. It might be publicly resourced, but, as you and I know, in most communities in the Northern Territory the local labour market is a CDEP program. People might have jobs within the framework of a CDEP program—ranging from picking up paper to running an office and the full range of labour market opportunities, effectively—but in a controlled CDEP environment because there simply are not the resources to develop them in a wider context. What discussions, if any, have there been between the Northern Territory government and the Commonwealth government about topping up CDEP programs that run Ranger programs?

Mr Bree—There have been a few discussions. Caring for Country is an important one in this context and probably the one we have spoken most about putting on a long-term footing. I think one of the hard things in managing the Caring for Country program is that it tends to involve scavenging grants from year to year and therefore a lot of effort in management is put into just keeping things going, whereas I think there is a real scope for expanding that. My understanding is that about 500 people are involved in the program, depending on when you count it. It certainly has the potential, in my view, for about three or four times that, and I think that would be a positive thing.

CDEP, or something like it, probably needs to be there for a very long time, generationally in my view, because many of the communities do not have an economy as we would understand it and, even with the best will in the world, that is going to take a long time to fix. In a lot of our non-Indigenous rural towns, 15 or 20 per cent unemployment is not unknown. I think we have to come to grips with that. If you take a step further and say that we will continue to support homeland centres, in those areas the chances of what we would regard as mainstream employment are pretty close to zero. So CDEP or whatever it becomes will be part of that in the long term. I think we have to accept that. I do not think that is a bad thing, by the way; I think it is quite a valid way of handling the situation.

Mr SNOWDON—Isn't there the potential, though, for CDEP to foster business opportunities which could then be privatised?

Mr Bree—Certainly. We are seeing examples of that in the aquarium trade at Maningrida, for instance, where a business is operating.

Mr SNOWDON—Do you know what programs currently exist to provide business development training for individuals or corporate organisations like CDEPs in these communities?

Mr Bree—There is the normal range through DEWR and DBIRD. If I could give an answer to one side of that, I think one of the important issues to come out of the change in focus by the Australian government in CDEP in emphasising that it should be used as a transitional tool to business or mainstream employment is that it will require more resources if we are to do that. Currently CDEP programs are generally run by—pardon my engineering background—what I would refer to as a work supervisor type person, a person who can manage people and get them out in the morning to do things. That sort of person is very seldom going to have the capacity,

time or ability to develop businesses. It is asking too much. Moving into the business field or more mainstream jobs requires more resources for people. That is one of the discussions we are having at officer level at present.

Mr SNOWDON—I want to pursue the issue of native title for a moment. You do not need to comment on this if you do not want to, but it seems to me that the reason the Larrakia in the position they are at the moment is because in 2001 the new Territory government took the position that it would negotiate native title instead of litigate. They arranged a set of processes which led to the development of the Larrakia nation's development corporation—because they had access to land which was acquired through that process.

Mr Bree—I will clarify that a little bit further. That negotiation of the land out at Rosebery was under way at the change of government. It is pleasing to see that. It is one of the changes in our community that that was seen as a valuable thing to do. That was continued. Certainly that is the basis of their current situation.

Mr SNOWDON—That was built on by Lhere Artepe in Alice Springs to do a similar development?

Mr Bree—Yes. They are still working through that in terms of turning that into something. They have the first subdivision out there. But they are looking forward to a pretty bright future as well.

Mr SNOWDON—I want to move to another subject, housing. The *Northern Territory government economic development strategy* refers to the IHANT program and the 5,000 house or \$850 million shortfall. What concrete steps have been taken to define that housing development need in terms of employment opportunities?

Mr Bree—IHANT has identified employment as one of the key outcomes of building houses. Our task force is trying to build on that. The potential for employment out there is back of the envelope stuff at this stage, but it is clearly many times what it is at present. Our current understanding is that the figure in the 2001 census for Indigenous people involved in construction was of the order of 250. Our investigations now suggest that in the communities it is up to 500. We think that, over our next stage, in the next year or two it will go past 1,000.

What are we doing? The IHANT model is what we are really working on. That is essentially to contract houses to communities and ensure that there is an RTO, local builder trainers and a whole program of working through an apprenticeship so that the outcome is proper trade qualifications. How do you do that? What IHANT did with the support of the two governments was to guarantee a four- or five-year building program. It sounds straightforward and simple but it is a very powerful thing. In the past, the excuse has always been, 'We can't train people through to apprenticeships because we only have a contract that'll last 12 months or 18 months.' So we have broken through that policy barrier. We are now expanding it to all Northern Territory government procurement in the bush, so that all procurement in the bush will be linked to longer term programs and Indigenous employment, either through traditional contracting methods or by contracting directly with communities. We expect that that will have a fairly large impact.

The importance of construction is that there is a very short time frame in getting people from no skills to commercial skills. It is very powerful. You can do it through a 13-week program and that person can then be earning proper money. But we prefer to move through to full trade skills and that is what we are working on. Coming back to aspirations and options, it seems to be an area where we have demand for people. Our current constraint is the provision of builder trainers, not people to go into the programs. Unfortunately, in our current boom in building in the Territory it is that much harder to get people to do that. But we are working on it and we are working on a number of different methodologies to get through it.

CHAIR—You mentioned community or contract housing projects. How do you link them? You mentioned a link; can you give us an example?

Mr Bree—Between contracting and—

CHAIR—Yes, but the issue of how you get these apprentices linked to the building of the houses. Can you give us examples?

Mr Bree—With Indigenous community housing organisations, which are who we connect with in the communities—and they are generally the community council as well—it is simply an issue of the contract agreement you sign with them.

CHAIR—On a specific number of people to be employed?

Mr Bree—Yes. One of our very good examples is at Amoonguna.

CHAIR—The member for Lingiari and I have been talking about this for about a decade.

Mr Bree—I use Amoonguna as an example because I have seen this one with my own eyes. Three or four houses were built by a team over 12 months. The interesting thing is that everybody has always said that this would cost a lot of money. I do not think that is right, to be honest. Certainly there is a learning curve for everybody involved, but in the central and remote model that we refer to, which is the old ATSIC region, the first contract cost us a motser, but the second one came in pretty well on market as far as we could see.

CHAIR—I am sorry to interrupt, Warren, but can I also make the observation that in the context of a boom these people, who are potentially employable, are even more important.

Mr Bree—Yes. When I talk to people in our community I talk about our self-interest because self-interest is the most consistently sustainable driver. We have to find those links, and this is a clear one for our community.

Mr SNOWDON—It is an interesting point because, at the moment, at the Wickham Point gas plant there are a number of Indigenous people, whom I know because I used to teach a few of them, who are employed as ladders. It is a semiskilled job but I am sure it pays a lot of money, because the tradesmen out there earn \$1,600 to \$1,800 a week clear, so you can imagine the demand for skilled labour around this town. An argument that has been posited here for a decade is that in skills shortages we have not recognised the untapped labour market out there—that is, to provide the people with the skills so that they can access those labour markets we have to go

back to where Dennis started, which is to give them a decent education that will give them access into training for employment.

Mr Bree—As an anecdote, and I will not name names but Warren will know some of the people, I have been talking to some senior people in the construction industry up here and it seems that a veil has fallen from their eyes. They are saying, ‘For decades we’ve been complaining about our industry being run by people who are not committed to it. They come here on the back of a ute for a job and they go. They can’t work in the climate. Yet the people who can do all this are sitting in front of us.’ I mentioned at the beginning that I think there is a timing issue for lots of good things happening. In this community at the present moment my judgment is that many of the senior business leaders see this issue in a positive sense rather than in a negative sense, which was the case for a long time.

Mr ROBB—Dennis, you talked about the Wadeye community coming to the recognition of the essential nature of education to get young people job ready. What are you seeing in other communities? Is that a general development, a general recognition? I notice that in parts of western Queensland we are starting to see remote communities coming to the same recognition.

Mr Bree—There is certainly greater recognition than I have ever seen before. Because it tends to be a community view, it is either happening or it is not happening.

Mr ROBB—Would it be as much as 50 per cent who are starting to come to that recognition?

Mr Bree—I would think at least that. Communities are at different stages of coming to that conclusion and then the next step is to do something about it. Warren would probably know better than I would because he gets to more communities than I do, but my sense is that it is there and it is growing. It is part of the broad discussion.

Mr ROBB—If you subscribe to the view that we are all best to focus on our innate strengths to develop ourselves as individuals and do what we are good at, what are the range of innate strengths in the Indigenous community, do you think? What are they particularly good at, besides football?

Mr Bree—My view is that the things we see like that come from opportunities. I do not share that view. I deal with Indigenous people in the bush or in town. They are people with a whole range of skills that all people have. It is really about providing people with the opportunities that is the key to it. There are some economic strengths that people have but that is largely, in my view, to do with where they are, their cultural background and history. There is tourism and things like that. My reluctance is about limiting outcomes by saying something in that way. I think that we have to talk to Indigenous people about a whole range of things and let them choose which direction they want to go in as we provide choice for everybody.

Mr ROBB—In the Northern Territory about 70 per cent of the Indigenous community are still residing in more remote communities. In the rest of Australia, the trend is quite different.

Mr Bree—Yes.

Mr ROBB—That is a choice, which they are entitled to make, but it does mean that they are geographically constrained. Let me put it another way. If they choose to want to remain in the remote communities, what are the particular things that can be leveraged?

Mr Bree—Clearly the things that you can do out in those areas have to do with the environment. That may be tourism; it may be land management, parks; and clearly art is huge and is a current strength. There are a whole range of things in that area. The mundane thing is providing services to communities. We have a current situation where we have a lot of people who provide services to communities on a fly in, fly out basis or are expats in communities. Our local jobs for local people program is trying to work through how that can change. Some of that involves governments re-engineering the way they do business. I know I find myself complaining about miners who fly in and fly out but governments do exactly the same thing. They drop in by plane, go to talk to people and come out again.

Other areas that are interesting for employment are, for instance, interpreter services. We have a significant interpreter service, partly funded by the Australian government, which I think has a lot of potential not just in providing the obvious but also in providing things like, as economies grow, market research. There is also research generally; there is a lot of academic work done in this field and most of the benefits do not go to the Indigenous people who provide the information. The people I talk to are becoming more and more aware of that. Those are some ideas off the top of my head.

Further to that—and this is very much a personal view and one that I am trying to think through myself—there is the movement of people generally. One of the other hats I wear is Deputy Secretary of the Department of Community Development, Sport and Cultural Affairs and in that role I look after public housing. We are finding that there is a significant movement of people from communities into major centres. That is occurring and we see that in our housing lists. I am always reluctant to think of Indigenous people as a group because they are not. They are a lot of individuals and there are a lot of different trends occurring out there. My view is that as people develop options—skills—people will move and go home and come out.

I see the construction industry as a particularly useful one in this. The construction industry needs people for three months here and six months there. I had a discussion with a leader in the construction industry who said, ‘Wouldn’t it be good if I had a database where I could ring up someone I had used before in Yuendumu. I could say to him: would you like three months work in Darwin?’ It is good money. Most of these communities are never going to be powerhouses for employment and I think that we have to face up to that. People will take decisions about moving in and out of the communities for very different reasons, some of them economic, some cultural and some social, like many of us do.

Mr SNOWDON—To pick up on that, what about the mining industry, an area you have not mentioned? The Tanami mine, for example, I know has recruited a number of people from Lajamanu and Yuendumu. These are relatively young men, principally, and some young women, who have left the traditional home to go and work in one of these mining camps on a fly in, fly out basis like everyone else. They come back home at the end of their shift depending on how they are rostered. That is happening now as well.

Mr Bree—Absolutely.

Mr SNOWDON—People will move for a whole range of reasons but what you can guarantee is that they will go home, even if it is only periodically for a month or a week for ceremonies or for other reasons. I think that the attachment to country has got to be understood. If we understand that then we can start to realise that it is quite easy to go and live in town as long as they know they can go home.

Mr Bree—It is providing people with options, and I think that is the important thing.

Mr ROBB—On the entrepreneurial culture that is part of the strategy, at one stage is that? What are some of the keys to even starting to create some entrepreneurial culture?

Mr Bree—It is at a very early stage. There are a couple of lines to this. Firstly, work with people who want to do it right now. That tends to be with organisations that have got some sort of structure to start with. But there are people, particularly in tourism out in the bush, who come and say, ‘I want to do some work in tourism.’ You then have to provide services to talk through what doing business really means. That is the start of the conversation. We have people in the Department of Business, Industry and Resource Development, DBIRD, who sit down and talk to people about that. That is really a precursor before you even get to business planning and that sort of stuff. There is a whole range of services that needs to be provided when that comes up.

In the broad, financial management discussions need to take place in communities, and are taking place in some communities, about simply looking after the money that you get and how you can get outcomes for it in terms of saving and maybe borrowing and things like that. There is a whole set of skills in terms of financial management that is not there. It is important—to jump a little bit—that when people enter employment or business that they actually receive benefit from it. Many of us are still struggling with that ourselves. We have employment but you wonder where the money is at the end of the week, and that is not a great incentive.

Mr ROBB—One of the submissions described how they are managing lots of stores—

Mr Bree—ALPA?

Mr ROBB—Yes. They said that it is all Indigenous employment except for the managers. They said that there was culture preventing the Indigenous community taking on management. Could you give me your insight into that?

Mr Bree—That is variable. It is certainly the view of ALPA, which is a very good organisation, in my view. They have an Indigenous board who have come to that conclusion and I respect them for it. I do not think it is universal, though. There are people capable of managing. But it is hard for anybody to manage a business if that person has other pressures than what we would see in a normal situation from family and community. It makes it that much harder. It is not impossible, but I understand where they are coming from. They have found a pretty nice and comfortable fit, so that is good. I do not challenge that—I just say, ‘That is good for you.’ But it does not mean that it has to be a universal rule.

CHAIR—They have been going for 33 years. They would have had their ups and downs over that time.

Mr Bree—Yes, that is the case, but at the present moment they are terrific.

Ms ANNETTE ELLIS—Forgive me for rambling a bit—you said a minute ago that you thought you were rambling a bit and I think I am going to do the same thing, because there are so many things in my head. There was a discussion a moment ago about how people move around and that it is inevitable that they may leave country and go back. My previous experience showed me that in the health area, for argument's sake, one of the key people in a community will be the Aboriginal health worker. For them to get basic or further training in the work that they do they inevitably need to leave country at some point. We saw evidence of that training process taking place. The issue then becomes to what degree they are able or willing to go back to their base and work there permanently—for want of a better word—or whether the trappings of success, if I can use that term carefully, for their own development mean that it is very hard for them to go back. To what degree is your task force able to look at the balance between offering those advances, which we definitely need to see happen, and then somehow managing the return to country to perform the work that is needed? I use the health worker as the best example I can think of. There could be others, like teaching or other intrinsic value-adding employment opportunities within communities. To me, it is a very big concern. I do not wish to say that they cannot leave but, by the same token, part of the reason for them going is to bring that skill back. What is your view on how we try to manage that, or how they do?

Mr Bree—Firstly, it is my view that we should not inhibit the outcomes of individuals—

Ms ANNETTE ELLIS—That is not my intention either.

Mr Bree—No, I am sure of that. We would see success as someone moving on to something better for themselves.

Ms ANNETTE ELLIS—Yes.

Mr Bree—People who gain those sorts of skills and who are from the country are really doubly valuable. How do we value things in our society generally? We pay more. We have got to face up to that—if they have extra skills then you have to have an incentive for them. One of the practical ways that we are trying to encourage those sorts of service to be delivered is regionalisation. Instead of thinking in terms of communities we are trying to think in terms of regions, so you essentially have a greater population base. You can therefore afford and pay more or encourage people to have a job that needs more people to justify it, if you like. That is a practical way. But I think what you are talking about is inevitable in a way, because people are going to get high levels of education and those jobs tend to be centralised in larger population centres.

Ms ANNETTE ELLIS—Could it also be of assistance if there were more of them? This is a bit idealistic, I guess, but it is the same as if a non-Indigenous nurse is attached to a remote community—if they are out there on their own then their difficulties are multiplied. The same things could be said of an Aboriginal health worker, for argument's sake. So if there were more people trained and people were better remunerated and valued then they could in fact move around and still not leave a community without appropriate working levels.

Mr Bree—I am not an expert in this area. Clearly, I would agree that we need to do more to encourage people who have empathy with an area to work in it.

Ms ANNETTE ELLIS—There is another issue I want to ask your opinion on. The statistics in the paper we have been looking at this morning are very stark in terms of numbers, unemployment levels, geographic location and so on. I understand that roughly 85 per cent of the prison population in the Northern Territory are Indigenous men. Correct me if I am wrong—and I do not know if you are aware of this or not—but I understand there is some training offered to those men while they are incarcerated. What happens to them when they return to their communities in terms of opportunities to utilise the training they have received while in prison and therefore does it have a positive effect on cutting down on their recidivism and so on? How is that linking in? Is that an important factor in what the task force is looking at?

Mr Bree—It has been put on the task force's agenda, but we have not addressed it yet. It is quite a large agenda—

Ms ANNETTE ELLIS—I do not doubt that for a minute.

Mr Bree—and we are trying to focus on priorities. But it is one that keeps coming back to us. We have not really done any work on it yet.

Ms ANNETTE ELLIS—I am not critical of that but I am pleased to know that it is on the agenda.

Mr Bree—It certainly is.

Ms ANNETTE ELLIS—They come out of prison with training that they have gone in without. Therefore there is another resource with a social angle as well.

Mr Bree—I understand literacy and numeracy training are available.

Ms ANNETTE ELLIS—I have one other question. You mentioned culture and art but art particularly. Have you got any views you could share with us on the state of that industry, if I can use that word, at the moment? There is an enormous amount of money attached to it, but I do not know that the benefits are getting back to where the art comes from. I am asking you what your view is on that industry generally. Is it improving?

Mr Bree—I do not understand the industry in depth but I get around and I see some pretty vibrant art centres around the place. A lot of people are working in them and are apparently happy in doing so, so I think that is a good indicator. It is an area we are having a general look at at the present moment. My sense is that the returns could probably be improved through better business management. That is not meant to be critical of it because I am not. I think they are doing pretty well, but in a lot of places we ask people to provide a whole range of skills that we normally would not because there is one person looking after an art centre. They are businesses—quite significant businesses.

Ms ANNETTE ELLIS—They are.

Mr Bree—So you have got a whole range of people who can assist in skilling but also have to run a business. They do not always go together. As a task force—and this certainly has not been picked up—I think there is a sort of a role; I am just trying to think of the model. It is a bit like ALPA—that is, a sort of organisation that looks after all of the stores. They currently have Desart and ANKAA but they are cooperatives rather than having business structures behind them. I think if they developed into an organisation providing a lot of back office services you would strengthen up the business sense of it. These are important things for people to come to grips with, if you know what I mean. When I talk about this with some of these organisations they take a backwards step because it is an independence issue as well. We are just putting that on the table. It is one of those discussions that we think needs to take place.

Ms ANNETTE ELLIS—The reason for bringing it up is not just the interest in the issue generally but also the fact that when we talk about employment opportunities for some of the more remote areas, which are the more difficult in a sense, the art and culture attached to those remote communities is not only rich and vibrant and worth seeing but a tourism thing that could bring an angle of employment that otherwise would not be there.

Mr Bree—Absolutely.

Ms ANNETTE ELLIS—I know that in the limited opportunity I have had to visit some remote communities, my very amateur and anecdotal reading is that where culture and art is fairly vibrant, wellbeing in the community, its wellness, tends to be up the scale a little bit as well. We observe that as an amateur reading when we go into a place. Where there is not any of that evident, you have quite a different atmosphere to where there is, and it seems to bring a lot of benefits along with the economic ones.

Mr Bree—I could not agree with you more. I am the same as you: it is anecdotal rather than any great—

Ms ANNETTE ELLIS—Yes, I do not think there has been a scientific study done of it.

Mr Bree—But it is an important business and the only comment I have is that, for us, it is a successful business. What do you do? There is not a new model that you bring in, but we try to talk to these people about it being a business rather than just as an individual thing. We all feel good about this today. There are ways that you can improve returns from business, I guess that is the simple way of saying it, and I think they should be done.

Ms ANNETTE ELLIS—Mr Chair, with your indulgence, I would like to make a final comment. I am really pleased to hear positive things being said about the CDEP and training. It seemed to me some time ago there was an enormous potential there, if only we could work out how to attach training to CDEP in a more positive way than had been done in the past. I am really pleased to hear about what is happening with that.

Mr Bree—I will make one last comment on CDEP. One of the important things we would be suggesting to the Australian government, and are at officer level, is to go back to its original approach—that is, one in, all in. It is important in a community that if people commit to it—and it is a decision to commit to it—then they all go together, because otherwise there are too many options for dropping out.

CHAIR—I want to raise at least one other issue, but let me assure you, on the issue of art, that on the Tiwi Islands on the weekend entrepreneurship was well and truly alive. Yesterday morning they had a wonderful carving in the front garden ready to sell. We did not buy, but they knew we were there.

Ms ANNETTE ELLIS—You meanie!

CHAIR—Yes, but it was not quite what we wanted at the time. They do not miss an opportunity.

Mr SNOWDON—They can make to order.

CHAIR—Too right! They always did. Mrs Vale and Mr Snowdon, I want a quick wind-up, so you have to be quick.

Mrs VALE—Yes, I will be quick. I want to ask about service provision in remote communities. You mentioned interpreter services. With the business of interpreter services and the provision from the federal government, I would have to accept the blame for that. It is interesting that when you are down in Canberra—and many of us, on occasions, might have to go to the edge of the plank on a particular issue—it is not often that we get to see some of the outcomes. That was a particular point for me when it came to the delivery of justice in the Northern Territory with mandatory sentencing back in 1998. As I said, I understand that interpreter service is important for juvenile justice—or for justice generally. I was also told by Kim Hall, at a later stage, that it was also very vital in how health was delivered to remote communities here in the Territory. But I never thought for one minute that it could have another economic impact on the communities, such as service provision for those remote areas. Do you see that as having a serious impact, or is there anything more you can tell me about that as an encouragement for us here who have to work right down in Canberra? It is good to see that some of the things we do have a positive impact.

Mr Bree—We have got 200-odd people on the books of the interpreter service, and the number of interpreters around the Territory who get some level of work from it varies. We had an interpreters' conference two weekends ago. Seventy people attended it and they are very positive about it. The commercial outcomes, the obvious ones are with mining companies and things like that. In terms of governments providing services in these communities, you run into some barriers sometimes dealing with councils who, when you ask for an interpreter, interpret that as us saying that they cannot speak very good English when clearly they can in many cases. We are saying: 'No, it's not that. We can't speak any Indigenous language at all. It is actually for us who go in to understand what the outcomes are,' and we need to think about it like that.

In my department of community development I think we have been remiss in using it, because we have people who are experienced in the field of interaction with Indigenous people and therefore make an assumption that they understand what is going on. It is not true. We have a policy where we are now saying that people have to bring in interpreters.

Mrs VALE—Before we can solve those problems we have to have good communication.

Mr Bree—Absolutely—we have got to understand.

Mr SNOWDON—I have three quick questions, Dennis. You have talked about tendering arrangements and contracting.

Mr Bree—Yes.

Mr SNOWDON—I assume you are tailoring tender requirements so that people fit. What about in the area of government licensing—for example, over fishing? Have there been any arrangements to change the way in which licences are made available to ensure that local people get access?

Mr Bree—The quick answer is no, but there is some discussion about it at the present moment.

Mr SNOWDON—Secondly, on corporate governance—there is a bigger issue, but I will come to it last—are there processes being put in place by the Northern Territory government to ensure that there are appropriate corporate governance standards being set for bodies incorporated under Northern Territory legislation?

Mr Bree—There has been no work on the standards at the present moment, although it is on the agenda. There is a fair bit of work being done in training at the present moment.

Mr SNOWDON—Lastly, on access to capital, how much is that an issue in terms of the development of these business opportunities?

Mr Bree—I think it is an issue. I would not understate it. Many starting businesses do not have access to capital. It is not just the big licks of money—I think we have seen some talk in the papers recently about microfinance. I think that is important area that we need to address.

CHAIR—I think re CDEP and re entrepreneurship that we have got to be able to walk and chew gum. That is my view. Communities are going to need to be able to bring all that together and not impede each other in any of these activities. We were virtually covering that earlier in the discussion. Would you comment on the OIPC—that is, the Indigenous coordination within the federal government area? And, if you had to choose one thing that you would like the federal government to do better to support your efforts, what would it be—apart from money?

Mr Bree—I should have come with a list, shouldn't I. It is always money—the federal government is the river of gold!

CHAIR—The new arrangements—you mentioned that cooperation was stronger and you were working better.

Mr Bree—Cooperation is stronger and we are working better at a local level in the Territory. I do not come here with any complaints inasmuch as the personal interaction is very good.

CHAIR—But is there something out there in the future.

Mr Bree—To be honest, both within our own government and the federal government, while coordination at the talk level is good, there need to be some practical outcomes to it as well. If

we are not always vigilant, it drifts back to what it always has been—that is, people doing this here and that there and that over there. That is the default position, unfortunately, unless we are vigilant.

If I had to name one thing, it is housing. Housing has positives in construction. If you want to think positives, think employment—and think maintenance; there is a lot of employment there. But, honestly, if we want education, kids coming home to overcrowded houses cannot study. In health, in everything—if you want to invest money, in my view the economic returns for housing are immense.

CHAIR—Dennis Bree, thank you for your time this morning—it is very much appreciated.

Mr Bree—Thank you.

[9.34 am]

AH CHIN, Ms Wendy, Principal Adviser Indigenous Policy, Office of the Commissioner for Public Employment

KIRWAN, Commissioner John, Commissioner, Office of the Commissioner for Public Employment

CHAIR—Welcome. I remind you that these are legal proceedings of the federal parliament and we ask you to respect that. Thank you for your time this morning. Would you like to make a brief opening statement?

Commissioner Kirwan—What I would like to do is provide a very brief overview of the situation in the Northern Territory, because we are quite different from everyone else and so that people do not bring with them variations from different jurisdictions. Then Wendy will make the opening statement. I would prefer her to make it because she has lead responsibility in this area. We have some information we are happy to table. We have brought copies of anything we refer to, for your information. We are more than happy to take questions. I must say this is the room we normally do estimates in, so it is a bit of a different environment to last week.

As the Office of the Commissioner for Public Employment in the Northern Territory, if you have a continuum from left to right in respect of Public Service commissions, ours is the most traditional of all the models in Australia. The Australian Public Service Commission would probably be at the other extreme, with the other states and territory lining up somewhere in the middle. Our model is a traditional model, with me still being the statutory employer. We are also the industrial relations department for both public and private sectors in the Territory.

We have a one-system approach. We have only 17½ thousand staff over 20 agencies, a large percentage of which are in regional and remote areas. So we do not have a strongly devolved or deregulated system, because of our small size and the critical mass issue. So for areas like this and others, we still drive them traditionally, in a more centralised model than you would see elsewhere in Australia, including specifically the Australian Public Service.

Within our agencies we also have a one-system approach in a whole range of other areas. We have a shared systems model—we have an agency called DCIS, the Department of Corporate and Information Services—so we are on the one payroll system, the one purchasing system, the one accounting system, the one fleet-management system, the one printing system. So it is a one-system model, which I should say was put in place by the previous state government and continued by the current ALP government. So our approach is quite different.

My office has responsibility for this issue through our minister, who is Deputy Chief Minister until the reshuffle today—hopefully, he will stay there! We have his approval to be here today. He is the Minister for Employment, Education and Training as well as the Treasurer, and through him we report to cabinet. That puts us in some kind of context.

I should also say that we have a public sector, not a Public Service, so our 17½ thousand staff includes everyone from our bus drivers to our neurosurgeons. Unlike other jurisdictions in Australia where the Public Service is your traditional, core, white-collar Public Service and then you have other areas, in the Northern Territory they are all together. It is a different model.

CHAIR—Thank you.

Ms Ah Chin—We have prepared a brief opening statement. The Northern Territory Public Sector acknowledges the significant economic disadvantage experienced by Indigenous people in the Northern Territory. In this respect, we believe it is essential that government sends a strong and clear message to employers that addressing Indigenous employment be developed as a mainstream policy approach. Trying to address Indigenous employment simply through ad hoc arrangements—which has traditionally been the case—will leave us with more of the same.

The Northern Territory public sector is committed to addressing the low level of Indigenous employment in its work force. Indigenous employment is an important and apolitical issue, with—as the commissioner has mentioned—both current and previous political parties having policies to address this. As an employer in the Northern Territory, the Northern Territory public sector is the largest single employer, thereby having a significant influence on the Northern Territory economy. As John mentioned, it employs more than 17,000 employees, 2,300 of whom are located in any one of the 132 remote communities where the NTPS provides a service.

Representing 28 per cent of the Northern Territory population, Indigenous people represent six per cent of the Northern Territory public sector work force. While that in itself is not a lot by any stretch of the imagination, we have seen a 40 per cent increase from 2002 when we introduced the government's Indigenous Employment and Career Development Strategy. As a central agency, and as the statutory employer, OCPE is responsible for monitoring the implementation of the Indigenous Employment and Career Development Strategy across the Northern Territory public sector.

As you are probably aware, the NT has a culturally diverse population, with Indigenous people comprising the largest cultural group and largest users of government services in the Northern Territory; however, they are often the least engaged in the delivery of services to the community and in developing the public policies that affect them. The Northern Territory has the highest Indigenous and youth population compared to other jurisdictions throughout Australia and the highest Indigenous labour market participation rate. However, it also records the lowest Indigenous employment.

In the Northern Territory, approximately 40 per cent of school-age children identify as Indigenous, with projections suggesting this will increase to 50 per cent in the coming years. The efforts therefore for the Northern Territory to address the low level of literacy and numeracy amongst Indigenous school-age children is critical if we wish to have a functional and harmonious community that does not marginalise its largest cultural group. Sixty per cent of the NT land is owned by Indigenous people, with 70 per cent living on this land. However, 65 per cent of jobs provided by the Northern Territory public sector are within the three major areas of Darwin, Palmerston and Alice Springs. Creating jobs and sustainable labour markets where the people live is therefore a major challenge for us in the Northern Territory.

The disparity between the representation of Indigenous people in the NT community compared to their participation rates in the labour market is significant. History shows that doing more of the same is simply not an option. In redressing the disproportionately low number of Indigenous people employed in its work force, the NTPS is actively implementing its Indigenous employment strategy. We are now beginning to see an increase in the number of Indigenous people employed in agencies through a range of innovative strategies, which we outlined in our original submission. These initiatives include the Northern Territory public sector Indigenous employment tool kit, which we launched in March this year, the Kigaruk Indigenous Men's Leadership Development Program, the Lookrukin Indigenous Women's Leadership Development Program and the Indigenous Employment Forums, which the Office of the Commissioner for Public Employment in partnership with IPAA—the Institute of Public Administration Australia—conducted throughout Darwin and all the regions during 2003 and 2004. We believe these are all very good examples of current good practice in the Northern Territory.

It cannot be emphasised enough that a critical part of the approach has been the strong and clear message to agencies that Indigenous employment must be mainstream. Simply tacking it on as an add-on to core business is not going to work. History shows that. Equally important has been the emphasis on improving the collection of EEO data so we can get a more accurate picture of where our Indigenous employees are across agencies and at what levels. For example, agencies are now improving their data collection by introducing regular EEO data census days, in which they are encouraging staff to identify so that we can get a more accurate profile. This enables the OCPE to monitor the implementation of our Indigenous employment strategy. As the commissioner mentioned, we are doing this through biannual submissions to cabinet which report on agencies' progress against the four key priority areas of cultural diversity, recruitment and retention, career development, and management and leadership.

To effectively increase the number of Indigenous people employed in the labour market, Indigenous employment must be seen as mainstream. Employers must address this key social justice issue as core business. Without wanting to state the obvious, there are no easy fixes in this area. Achieving success requires persistence, commitment, effort and innovation. It is not enough that employers simply draw from a depleting pool of skilled or qualified Indigenous employees. Employers must add to the pool of skilled Indigenous labour by developing the skills of young and mature age Indigenous people and devising appropriate training and leadership development programs. A concern we have is that people are simply picking the easy options—that is, going to the current skilled Indigenous people—and we are conscious that we need to take a far more strategic approach.

Therefore, a whole-of-government and a whole-of-community approach that integrates Indigenous employment across all sectors is critical. Government must consider the critical components of what is a complex task. Developing a range of education, training and employment systems that provide access, support and skill development is crucial to increasing the pool of skilled and qualified Indigenous people. The hard yards must be done if we are to match the jobs to the people. In this case for the Northern Territory, it means making jobs accessible to Indigenous people where they live, and 70 per cent of these Indigenous people live in the remote and regional areas of the Northern Territory.

To effectively engage Indigenous people in the labour market, Indigenous employment must be addressed from within a mainstream approach and must accommodate the diverse views and values Indigenous people have towards work. Addressing Indigenous employment at a community and whole-of-government level must reflect the diverse range of cultural values, specific or regional issues and the world views of Indigenous people, and these must be integrated into the development and application of policies and strategies.

The timing in the Northern Territory has never been so critical. We know that 40 per cent of our school-aged children are Indigenous and that this will increase to 50 per cent in the coming years. The implications of not addressing this for government and for the community are self-evident. It cannot be emphasised enough that critical to this approach, from OCPE's point of view, has been sending a very clear message that this is core business. We believe we are now beginning to see a new wave, a new culture, in the public sector where we believe we are now able to influence that workplace culture.

Improving on low literacy and numeracy levels amongst Indigenous people, matching jobs to where people are, particularly in the remote and regional areas where 70 per cent of them live, and creating labour markets in non-urban areas for Indigenous communities require an innovative and integrated approach by government.

In closing, we wish to leave the standing committee with a few questions which we believe are essential to effectively addressing Indigenous employment. What are the scope and type of labour markets accessible for Indigenous people in remote and regional communities? What skills, knowledge and qualifications are required for Indigenous people to access these labour markets? What are the community and cultural issues that may impact on Indigenous people to fully participate in the labour market? How can the values of Indigenous people influence the traditional structure of the labour market and the way in which we think about job creation and economic development? What role must government take in creating, supporting and maintaining job creation, economic development and sustainability for Indigenous people in the communities? What training, education and development programs need to be developed to ensure Indigenous people can fully engage in the labour market? How will we measure what it is we are trying to achieve? What are the accountability frameworks we need to establish?

Sorry to be so formal. I guess, just in ending, it is critical that we must understand the complex issues inherent in each of these questions. With the gap between the Indigenous population and the Indigenous labour market widening, we can no longer afford not to address this critical issue. Thank you.

CHAIR—Thank you.

Mr ROBB—What has been the primary driver of the 40 per cent increase that you have been able to gain? I presume the jobs have also been primarily in the three major population centres. Is that true? What has been the primary driver so far?

Ms Ah Chin—From our end—I know John will have strong views on this as well—it has really been about being very persistent. I think it would be fair to say that when the commissioner and I initially went to each executive in all of the agencies throughout all of the regions, we were very clear that this was not a once a year event, like Easter or Christmas. We

made it very clear that this would be persisted with and achieving Indigenous employment growth is core business. It was absolutely fundamental that we were to lead by example and to really send a very strong message that this be seen as core business.

It would be fair to say that when we initially went out to all of the CEOs and the executives, the will was certainly there I think in many of the cases, though not all. They were asking us questions such as, 'We want to do this; we just don't know how.' Leading by example and being very strong on the message begins to really influence the culture of the workplace and people start to take notice of you and realise that we are serious about achieving outcomes in this area.

Commissioner Kirwan—If I could add to that, we have actually seen good increases across a range of areas, including in regional and remote areas. There are some negatives from our perspective which I will come to at the end. We found in many areas that people had given up. They had found programs too hard to access. They had had goes at them and they had not worked. When we evaluated the previous policy, there was a view that it was a nice policy but nobody was really implementing it or pursuing it.

Our strategy was very much a top-down, bottom-up approach—that is, cabinet made it very clear that it was an important imperative for them, which is not surprising given that at that stage we had one Indigenous cabinet member, which subsequently increased to two. So it is an obvious issue for this government. But our approach was also from the bottom up, where we said to the agencies: 'You have to do something about this. You have to put a plan in place and you have to address it.' We found that in the first instance some of the successes were just in filling vacant positions: Aboriginal health workers, assistants in schools and Aboriginal community police officers. In many ways those were the easy wins because those positions were there already.

But we also saw examples like Desert Park. You have to give them credit because they were doing it before we were pursuing this policy, and to some extent they did it despite some cynicism and conservatism both from us and from the federal government agency they were dealing with. For the first time they established apprenticeships with Arrentyre Council. By using the programs, they were able to develop apprenticeships that went on to meaningful employment. We had Aboriginal kids from town camps and others doing apprenticeships in horticulture, tour guiding—interpreting was a part of that—and, interestingly, zoo keeping. The first zoo-keeping apprenticeship in any Australian zoo was in Alice Springs and was filled by an Indigenous lady from the desert area. They have all gone on to fill positions both in our parks and in national parks as rangers looking after their own country. There are good practical examples like that.

We have seen positions being filled across the board. We have seen people understanding and doing things like advertising in mainstream Aboriginal media and other media and we have seen a far better use, particularly outside of Darwin, of things like cadetships and apprenticeships, where we had not been very good—and that applied for both Indigenous and non-Indigenous areas. Now we are far better at it. To use my own office as an example, we have had three Aboriginal cadets—one who has graduated and is now working in Alice Springs and two others who are halfway through their law degrees. Those programs work very well; in fact, one of the cadets is working with us in the semester break at the moment and she is halfway through her law degree at CDU.

What we have done is pick up those other areas like cadetships, apprenticeships and others and worked with those well. When you look at the figures, what we have not done well—at the risk of sounding emotional, but I use this comment in other forums—is deal with the fact that they are still in job ghettos. If you look at the classification profile, basically it is Aboriginal people in Aboriginal jobs: in policy jobs, as health workers or in education. What we are yet to be successful at, albeit that it will take time, is the movement into the professions. When we have, I think, seven Aboriginal nurses at the moment—less than half of one per cent—it is unacceptable, although in fairness to them Health have now set a target for 15 per cent of their employees to be Indigenous, which is a very courageous target. The challenge now for us in health, for example, is to make sure of the pharmacists, physios, nurses and doctors, as well as the other areas. What we have not yet seen is the professions. While we have seen the employment figures moving, we have not seen the career part, though we do not expect to see that yet. By definition, if you take our cadets as the example, they have another year and a half before they graduate. So, even if we got going straightaway, we have at least 18 months or so to see the demographics in the three-year trained professions start flowing into our work force. Of course, most of our professions in areas like health and others are four- or five-year trained, so the lead time is quite significant.

Mr ROBB—You mentioned that the objective is to make jobs available where people live—connecting jobs to where they are. In terms of the numbers of jobs that we need there now and in the next 20 years, how realistic is that? Will the three major population centres absorb the majority of the Indigenous community? I am thinking of our previous witness, Dennis Bree. We had a discussion with him about people moving to work and back to their community—I suppose this orbiting concept that Noel Pearson and others are talking about. Is that the strategy? It seems to me from what you have said this morning that you are more focused on creating jobs where people currently reside than on promoting opportunities for them to come and go.

Commissioner Kirwan—I will respond to that. There are a couple of issues. One is that, as I understand the demographics in the Territory, there has been, unlike the rest of Australia, a fairly significant move back to regional and remote areas—that is, traditional Aboriginals moving back to their traditional areas. Although there are some indications now that the younger people are doing like other younger people who are attracted by the bright, shiny objects in coming back to regional centres. So we are a bit countercyclical in respect of the movement off the farms that we have seen in the rest of Australia.

The second thing is that in our remote areas—not just in our regional areas; regional areas are separate to that—we have 2,300 jobs in 132 remote communities. In a lot of those instances, they will be the single teacher, the single person, in a traditional Aboriginal community. We already have examples like Milingimbi where if not the majority then close to the majority of the professional and other staff are local Indigenous people. That is what we mean by the career development aspect of it—that is, developing career paths for people into nursing, policing and teaching. Teaching is our biggest profession in the remote areas. These are areas that we have high turnover in. So there is a cold, hard economic benefit for us in respect of doing this properly as well. Those are the sorts of areas that we think we could and should look at, quite clearly.

There is another argument too, particularly from a health perspective: it is important that we have an approach about cultural security. Not surprisingly, in some of these communities the health clinic will see 90 per cent, 95 per cent or 99 per cent Aboriginal people with no

Aboriginal people on staff. That is an issue for us, in respect of providing a culturally secure service, and it is an awareness of other things.

The government also has a very strong stronger regions approach under Mr Bree's Department of Community Development, Sport and Cultural Affairs. So the issue of building up the regions is very strong in respect of the Territory. The issue of not centralising the jobs in the Darwin-Palmerston and Alice Springs areas—which are the two big regional areas—but actually making sure that we grow the jobs out there is a very strong part of the current government policy. It is not a unique policy; it goes back in governments around Australia.

Mr ROBB—Presumably a lot of the getting those in cadetships and traineeships ready and capable of holding down a job and building further life skills so that they can be independent in a job is going to take place in the larger population centres, even if the jobs they ultimately hold down are back in their communities. Is that true and, if it is true, what things are you doing to assist these young people to be able to spend three years getting an apprenticeship being trained by someone who knows what they are doing in some of the larger population centres in the Territory?

Ms Ah Chin—That is certainly a challenge.

Mr ROBB—Is it true to start with that the cadetships, the apprenticeships and the training opportunities are overwhelmingly likely to be in the larger population centres? That means that they presumably have to move for a period of time.

Ms Ah Chin—Yes, that would be a fair comment. We are seeing some small examples outside of that where that is not the case. I think we have some communities around central Australia and Tiwi Islands where they are starting to pick up on some of their small apprentices. Initially, that shows the enormity of the task ahead. There is a concern that I think you touched on about the notion of urban drift. We are seeing some having to move into the urban areas if they want to access jobs and/or education.

That begs the question from us about what can we do better, how can we position ourselves and how can we look at the idea of work in a new paradigm—so trying to think outside the box and looking at who the providers of services are in the remote communities. We have some small examples in horticulture and aquaculture where we are seeing the communities developing commercial activities in the regions. It is obviously providing jobs but it is also bringing in sustainable income to the community in other ways. We need to look at how we can provide services in the regional and remote areas away from the traditional concept of work—so trying to look at the whole gamut of issues around what the jobs, incomes and skills are that are linked to that and who might be some of the providers.

One of the more innovative ways that John Kirwan, as the commissioner, tries to get people to think about it, as an example, is to get away from the traditional area of a nine-to-five job. If we know that an agency want to employ a traditional man from a remote community to be based in Darwin, and yet for cultural reasons this senior man has to go back to his remote community, then it is about repackaging the whole deal.

Mr ROBB—Can you tell me something about the existing cadetships and apprenticeships you talked about that are in the pipeline and will hopefully get the Indigenous community outside of the job ghetto classification? Where are they doing these apprenticeships and cadetships? How is it being funded? How are they retaining their connection with the communities et cetera?

Ms Ah Chin—Predominantly in Darwin. We are not seeing many cadets. Apprentices are a bit different, because they are having a greater effect out in the regional areas. But the cadetships are predominantly in Darwin because that is where the university is—Charles Darwin University. However, we have a very clear mandate that we encourage agencies to take on cadets outside of Darwin. Often in the Northern Territory, particularly in the central region, a lot of the Aboriginal families have links in South Australia and even across in Queensland and in Perth. We encourage them to access universities in those areas, but for the students it does mean having to leave their families. That would impact on the number of students outside of Darwin picking up the cadetships.

We have just undertaken a pilot with Mission Australia in the Northern Territory to address Indigenous employment in the public sector. That five-month pilot brought in Mission Australia, who linked Indigenous people to agencies wanting to recruit people. The agencies had access to a database of Indigenous people interested in working in the public sector and who had voluntarily joined with Mission Australia. The aim was to try to link employers with Indigenous people who were interested in working in the Northern Territory public sector. A very obvious component of that was the mentoring and support in the workplace for those people coming in.

Mr SNOWDON—Firstly, have conditions of service been changed for people working in the public sector so that Indigenous people who live in remote communities are not discriminated against because of their locality?

Commissioner Kirwan—No.

Mr SNOWDON—What is going on there?

Commissioner Kirwan—There is no discrimination one way or the other. The conditions within our approach are standard.

Mr SNOWDON—Let me be very specific: it used to be the case that if you were an Aboriginal schoolteacher in a local community you could not access public housing.

Commissioner Kirwan—I will rephrase my answer. Local recruits, be they Indigenous or non-Indigenous—we have significant numbers of non-Indigenous local recruits in our two biggest mining areas of Groote Eylandt and Nhulunbuy—do not get access to government housing and some other allowances. That has been the subject of various cabinet submissions and is now subject to a review. There was a remote localities working party that came out of the EBA process across our general public sector two rounds ago. Their recommendation was that that restriction should be reviewed and removed. There is a cost for the provision of additional housing that comes with that. As I understand the government position, that has been agreed to in principle; it is a case of in practice.

In other areas, the Aboriginal community police officers, the ACPO, have also moved to remove the areas where there seemed to be lesser conditions for local recruits than for those recruited from outside. It has been and is problematic for us, particularly with Indigenous people and Indigenous professionals. I have been subject to questioning when I have travelled to remote areas and I have found it very difficult to respond to traditional Aboriginal men who are locally recruited teachers when it is their land—they are the traditional owner—and they are paying rent and living in a house with 19 others, when their cousin, who is also Aboriginal, was recruited from Darwin and is living in one of our houses with just their wife and no children and not paying any rent. My response to that is: that is another government department's responsibility! But that does not help you when you are in a small community and you cannot run away.

It is an area that this government is aware of. It is not unique in Australia. That has traditionally been the policy we have had in place. The underlying philosophy is that if you are a local recruit you already have a house because you live there. Providing housing for those from outside the local area is one of the ways we attract and retain people in these remote communities. It is an issue today in contemporary standards that needs to be addressed. However, as I think Mr Bree indicated earlier, the issue of social housing is such a big issue here that there is also an issue then of us trying to gazump the need for social housing to make room for staff housing. It is a big issue and it does need to be addressed. But, as a general principle, we are standardising those conditions. We would hope that in the near future anyone working in the NTPS in any of our communities would be seen to be under standard conditions.

Mr SNOWDON—What might have been seen as the disincentive would be removed?

Commissioner Kirwan—Yes.

Mr SNOWDON—You mentioned ACPOs before—Aboriginal Community Police Officers. I am aware of some ACPOs who have been ACPOs for as long as those positions have existed. They have never met the requirements of becoming a police officer yet, for all intents and purposes, that is their job. What is being done to ensure that professional pathways are being developed so that ACPOs, teachers' assistants and health workers can get access to the mainstream labour market jobs within their particular area of professional expertise?

Commissioner Kirwan—That is a fair comment. In the O'Sullivan review conducted some 18 months or so ago that issue was specifically addressed. When Wendy and I went and spoke with the police executive—I am speaking of ACPOs—they identified that they used to have a scheme that took through those ACPOs who wished to move to the sworn constable ranks. Because of the changes to the scheme they actually could not remember why it had stopped. As I understand it, they have either reintroduced, or are about to reintroduce, a program for people who want a career path. That same discussion has been held with the CEOs of Health, and the former CEO of the Department of Employment, Education and Training who has just retired. They all agree that that career path should be available. All of them are looking at what we would broadly call the paraprofessionals, so that there is a continuing career path. In fairness, in some of those areas, particularly health and policing, they do not keep them in the same area because, as you would appreciate, in the small communities—particularly on the issue of traditional communities and men's and women's business—sometimes staying in the same job forever is not necessarily the best option, for all sorts of reasons. We are keen to do that. It is

early days. I think the good news is that it has been identified as an issue and is now being worked on.

Mr SNOWDON—You mentioned cadetships and apprenticeships in terms of training. What engagement does the Office of the Commissioner for Public Employment have with Batchelor College to brief them as to what they could possibly be doing to provide training in communities where they are already located—whether it be providing mentoring for apprenticeship training, and even modules for apprenticeship training, or the professional development of other staff? They already do teachers, some health workers and some community management. How much of that is being done locally as opposed to in situ at Batchelor College? What relationship does the department, or your office, have with that organisation to ensure that it, or another organisation, can address the sorts of training needs that you have identified?

Mr ROBB—Can you just explain what you mean by Batchelor College?

Mr SNOWDON—The Batchelor Institute of Indigenous Tertiary Education. It is basically a college. It is a tertiary institution which resides at Batchelor, which is 90-odd kilometres away from Darwin. It was established in 1975 or 1976. It was principally established to provide teacher education and training. It is the main agency for training Aboriginal teachers in the Northern Territory. It trains people in community management, being a health worker, broadcasting and a range of other areas. It runs on the basis of people being trained in their community and then coming back to Batchelor for periods of one to three months to get intensive training. It has been a very successful organisation.

Commissioner Kirwan— We do not have a formal relationship with the Batchelor Institute of Indigenous Tertiary Education—or BIITE as it is known—but we do have a number of informal ones. Most of Batchelor College's relationships are with the two larger government agencies: Education, because of the training of teachers and the VET sector and its funding; and Health, because of the Aboriginal health worker training component. We have an involvement with them at the administrative area for a range of reasons, including the fact that I chair their HR committee. As a tertiary institution they need someone independent of them. Because they originally were part of the broader public sector here, I have inherited some involvement with them through my predecessors.

We work with them, and I have to say that their presence in remote and regional areas is significant. Certainly when you travel to the remote areas a number of the Aboriginal teaching staff or paraprofessional staff we come across—and we and DEET help fund through a range of areas—continue to study through those areas. On the other side I could not actually say. As I said, we do not, as an office, have a formal relationship with them. We have through the other areas, but the two other larger government departments are the ones that have the bulk of the involvement with them.

Mr SNOWDON—I was just coming to the point about training. The reason I mentioned Batchelor is because it provides an example of actually providing training in communities and having people relocate to a centre—in this case Batchelor, not Darwin—for regular periods of training over three or four years to give people a qualification. So it does happen. I am also aware that there are some issues in education to do with meeting the travel costs and accommodation needs of apprentices who come in for block release. I am aware that this has

been an issue for people from Tennant Creek and recently from Alice Springs who were required to come to Darwin. How much is that an issue within your ambit of influence?

Commissioner Kirwan—I can only really speak of the public sector in that respect, and I would have to say that the Territory government is, and has been in the past, a fairly generous employer. The cost of travel is part of doing business and operating in the Territory, as is the cost of other things, such as shut-downs for cyclones—as is fairly well understood. We also deal with grievances from staff, and I would have to say that it is not an area where we get much. My concern would be the equity of access, and as a general view my view as commissioner is that not everyone gets access because not everyone knows, and there are a range of reasons behind that. One is that some agencies are more proactive than others. Our high turnover rates mitigate against everyone necessarily knowing, and we have on occasions come across people who should have been entitled to things that they did not know about. We are trying to address those through a range of other strategies. But as a general comment, the government has probably taken that responsibility fairly seriously.

Mr SNOWDON—Thank you.

Mrs VALE—I was interested in the questions that you put to us, Wendy. Were they rhetorical questions—which, of course, go right to the heart of the matter—or did you want to come up with the answers?

Ms Ah Chin—I think it is absolutely critical that those issues are worked through and considered. Unfortunately, a lot of people get glib around this area and it does become rhetorical after a while. But certainly in the discussions the commissioner and I had in preparing for today, they are absolutely central issues. I think if we continue to look at this problem as we have traditionally then we are not going to find the solutions. We need to be very creative. I know you would have heard this before but I cannot emphasise it enough: we need to be able to look at what is now an old problem in new ways. We need to look outside the box and identify where we can get synergies. I think that one of our failures is that we think we can solve the problem ourselves. We cannot do that; we need to look at a whole of government and whole of community approach and make sure we get input at a community level. I would hope that, as part of your consultations, you have got a lot of community members who are going to share some of the information with you. There are really important questions that we need to be clear on for us to formulate a decent solution to what is a very complicated matter.

Mrs VALE—When you talked about community consultation, I note that in the commissioner's letter to our chair you did emphasise the kind of consultation that you have had with Indigenous communities, especially the remote Indigenous communities. I was interested about the particular age cohort of the people with whom you consult. Do you talk to young people about their aspirations, or is it mainly the older people within the communities?

Ms Ah Chin—Definitely young and old. It is interesting about the different issues that come to light from young and old people. There is also a difference between the Top End issues and the central issues. There are some very major issues there that are quite distinct from the regions. So I guess that is why we are emphasising the point that you need to be more aware of the issues and what are the key factors that contribute to how much or how effectively Indigenous people participate in the labour market.

I think it would be fair to say that young people generally showed a genuine interest and willingness to work in the Northern Territory public sector, although I preface that by saying that in one of the regions—I think it was the central region—there was a little bit of caution about working in, say, hospitals, which were traditionally associated more with where you took the parents and grandparents to die. There are issues about getting them to want to work at in, say, the police force, if all their family members have at some stage been locked up or had some confrontation with the police force. There are some major challenges for the work forces in health and policing in getting people to have an appreciation of how they can enter and articulate in a work force that may not have had positive impacts on them.

Mrs VALE—You talk about the difference between the Top End and the central Alice Springs area. Do the young people articulate needs and aspirations that are different from those of the elders of their community? Do they see different opportunities that they want for themselves?

Ms Ah Chin—I do not know that I am the best person to answer that. I will share with you an example that may answer that question in some way. I was at a remote community outside the Katherine region several years ago when I was still with Health. After a couple of years we were starting to see some really positive impacts on the education level of kids in that remote community—over those years the kids had been coming up to attend Kormilda College. The department was quite excited about this. Then the traditional owners pulled the kids out of the school and took them back to the traditional communities. After being really excited about seeing what appeared to be quite sustainable outcomes, the community had withdrawn their support and taken the kids back.

I consulted with the community as to why, when from a government's perspective it was a success, and the community very loudly and clearly told us that they no longer supported the kids going to Kormilda because it had impacted on their cultural values. For instance, the 14- and 15-year old kids were going back to the community and being quite rude to the traditional owners. They were being influenced by a culture that the traditional owners did not agree with. They did not want to participate as much in cultural activities and community events because they were more interested in going back to Darwin and experimenting with drugs and going to discos. That for me in my early career was a very good example of how we often get carried away with what we believe are our priorities without necessarily listening to the community. That is also a good example of how the older traditional people in the community had very different views to the young children. They are the diverse views we need to be aware of.

Mrs VALE—It sounds very much like the traditional generation gap we have in suburban Sydney. What is the impact of NORFORCE on remote Aboriginal communities? Is that providing any opportunity to train up the young people who are in NORFORCE—I note that they are all men—and giving them skills that can be used after they have done their training? Are there any skills that they can use as rangers or in the mines?

Commissioner Kirwan—We in the Territory are rightly very proud of NORFORCE and its predecessors. I note that in contemporary Defence views the role of NORFORCE may be somewhat questionable and there is not necessarily a guaranteed future for it, from what I read, which would be disappointing. My understanding is that NORFORCE is currently overenrolled. It has more people who want to join, particularly Indigenous people, than it has money for. It provides traditional Aboriginal people and some non-traditional people with defence training to

the defence standard. We think that is very important. Just as in our training programs, the basics and fundamentals of discipline are provided. The articulation from NORFORCE to other jobs is an issue for us as well. They are trained in first aid, heavy vehicle moving, four wheel driving and all the areas that we still train our staff in. They are nationally accredited now so it is articulated. When they have part-time jobs they have skills in road maintenance, engineering works and other tasks that are obviously directly transferable. At the risk of getting into politics, which I do not wish to do and cannot, in a lot of those areas the local councils are not large enough—that is an issue that is being addressed—to run those businesses themselves, and you would expect that to be a good interface.

In a lot of those areas, the government areas, the work that we do is contracted out. Some of it is won by local contractors; a lot of it is not, so articulation immediately in those areas is actually not as good as it should be. It is the fundamental issue that Wendy was addressing: when you get outside our regional centres we actually cannot talk about a health job or an NTPS job; we are probably talking about a job that has got a bit of local council, a bit of us and a bit of someone else, maybe from the private sector. We are prepared to look at those examples, although they are not particularly strong at the moment. So we hold in fairly high regard the NORFORCE initiatives but the articulation into the private sector and our sector is not as strong as we would like. The difficulty for us in the public sector is that we do not do anymore most of the jobs that they would obviously articulate from; they do not sit with us anymore.

Mrs VALE—Do you mean they get subcontracted out?

Commissioner Kirwan—Yes.

Mrs VALE—When you formulate those contracts, would it be possible to have a component for Indigenous employment opportunities?

Commissioner Kirwan—Yes, but it is probably beyond my scope to comment on that. Procurement issues in the Territory are very explicit. The issue of regional and economic development and using procurement contracts for that is an issue that I understand other agencies are looking at. As a matter of principle from where I sit, the issue of building community capital through those areas is something that we would in principle strongly support, but that is an issue for government policy, which gets me onto some dangerous ground.

Mrs VALE—I do not really understand why. Isn't the whole objective that we want to actually find a proper response for the training of people who have reached certain skills?

Commissioner Kirwan—I totally agree.

Mrs VALE—We all seem to be operating in different stove pipes, instead of all coming together. That answers one or two of the questions that Wendy put to us.

Commissioner Kirwan—Yes, and we have no problems with encouraging, and we have said so in some areas. But if, for example, the procurement process says simply it is best value for money and issues like this one are not considered as part of a tender—

Mrs VALE—It all depends on where you see value and how you interpret it.

Commissioner Kirwan—Yes. Interestingly enough, I would suggest you might want to look at other parts of the defence industry in the Northern Territory, given that there are about a third of them up here, and ask them whether they apply the same principles.

Mrs VALE—That is what we need to know.

Ms ANNETTE ELLIS—Thank you very much to both of you for your evidence. Wendy, in your introduction you mentioned the approach your office was making to departments and that most of them were terrific in their response but some had been a teeny bit reluctant at first. Your progress report to May 2004 states, at page 5, that the progress in some agencies has been a bit slow. Can you describe the possible reasons for that? Is it that the type of work they perform takes a bit more effort or is a cultural shift required within the agencies, or is it a bit of both?

Commissioner Kirwan—It is probably best that I answer that one. The answer is: a bit of all of the above. Some agencies have been slow in coming to the party, and still are slow. There is the issue of their accepting that this needs to be a mainstream core approach, rather than something that you add on. A number of them have been quite reluctant over that and have still taken an add-on approach. Our view is that would be a fatal flaw that would condemn it. There have been initiatives that in the past have on occasions been successful in the short term but, as soon as you have your first economic downturn and your budget cuts and cuts in programs, guess what happens?

Ms ANNETTE ELLIS—It is snipped off.

Commissioner Kirwan—Particularly if Aboriginal staff are condemned to the lower classified positions, Blind Freddy can tell you what is going to happen. So we have resisted that approach. If I can put it in another context, some of the agencies still focus on what they do from day to day, so are remiss as to the issues of labour force planning, human capital planning and strategic planning in these areas.

Ms ANNETTE ELLIS—Would that apply to Indigenous and non-Indigenous workers?

Commissioner Kirwan—Exactly. It would not be surprising to find that the agency that is not doing enough in this area is also not doing enough about their ageing work force and is not doing enough about the work-life balance and is not doing enough about gender equity and is also not doing enough about the employment of disabled staff.

Ms ANNETTE ELLIS—So it is not Indigenous specific?

Commissioner Kirwan—No. There are some reasons for that, but in my view they are not good enough reasons, given where I come from. Each report to cabinet has more detail in it—we drill down into it each time—and it is made publicly available on our web site, which the agencies do not like. What we also do is this: in the report to cabinet we provide an overview for the minister and he takes five or six questions to each of his cabinet ministers and it is suggested that each of the cabinet ministers then take them to their CEOs, so for about two weeks afterwards I am very unpopular with my fellow CEOs.

Mr SNOWDON—What is the average cost of recruiting an interstate worker into the Public Service?

Commissioner Kirwan—I do not think we know that, and it would probably be difficult for us to drill it down. We use benchmark figures of between 50 to 150 per cent as the cost of recruiting a position. For the more highly paid positions—for example, the CEO of DEET that we have just been advertising in New Zealand as well—it would probably be significantly more than that. I know that some areas work on \$10,000 to \$15,000 fixed cost for a position. But there are little things, as you would appreciate. If they come with a big family, with the uplift costs et cetera, it would vary. I know that within the police force, even within the Territory sometimes, they say the costs can be greater than \$50,000 each time they move an officer with a large family. It is not small.

Mr SNOWDON—Is there any likelihood that you might do some work in this area? I would have thought that if you could establish the savings that could be brought to an organisation by training and recruiting locally, as opposed to importing labour, you might get a very positive economic outcome.

Commissioner Kirwan—We have done that. It was presented to cabinet, and cabinet has endorsed the process on it. We have a turnover rate of around 27-28 per cent, on average—that is with all separations—and we have estimated that if we could reduce that by one per cent that would be a \$1 million direct saving. It varies across the agencies. Some agencies are quite low but some are close to, if not in excess of, 50 per cent. In some areas there is a higher turnover than that. About 60 per cent of our work force are stable in that they have been here for about 10 years or more, but we have about 30 to 40 per cent where there is a very big churn factor.

Mr SNOWDON—What is it—two or three years?

Commissioner Kirwan—No, a lot of those are less than 12 months. Some of those areas are quite alarming for us, particularly in remote areas where there are mainly clinic nurses and teachers and they are staying one year, if that.

Mr SNOWDON—Or a semester.

Commissioner Kirwan—Or that.

CHAIR—Could you make a comment on the practical and general structure of the Indigenous Employment Tool Kit?

Ms Ah Chin—The tool kit came about as a result of the consultation we had with the community over the past two or three years, when, as I mentioned earlier, it became clear that a lot of the managers had the will but not necessarily the way. They were saying, ‘We’d like to do more in this area but we’re not sure how.’ The tool kit is just to give some very practical examples of how managers can try to increase the number of Indigenous people they employ. It goes across a range of issues in terms of some strategies they can use to recruit—when they are advertising, when they are recruiting, the processes they can undertake in terms of some of the initiatives for leadership development opportunities, career development and support and mentoring. There is also a part in there that focuses on the Indigenous employee. It provides

them with a lot of information that they need to be aware of as employees. As the commissioner alluded to before, it is bit obvious if you know you are doing okay, but I dare say there are a lot of Indigenous and non-Indigenous employees who currently do not know what their rights and conditions of service are. So it also gives information to Indigenous employees. We have support reference material in there as well, and we have brought a copy to leave with you.

We were aware that simply producing a tool kit in itself and handing it out to people was not going to solve the problem. We do not want this to become something that is going to sit on a shelf, so we are in the process of developing a workshop where we will take this out to managers and HR practitioners and get them to work through some of the typical issues you might find in a workplace and get them to in a very practical way address some of those workplace issues.

CHAIR—I think your Katherine example of cultural connect or challenge—

Ms Ah Chin—The different values, yes.

CHAIR—I would venture to suggest that that is the larger question confronting Australia on this issue. The Northern Territory has a particular issue but, for me, this is a national issue. Therefore, the realistic assessment of the future has to come to grips with this basic issue. I am not going to ask you the impossible question of how, because we would not be here today if we knew how.

I compliment you on making the observation. But you or the commissioner might like to add something about how we prepare our communities and our populations for this—which I believe is our greatest challenge—and how we match the aspirations of being an Aboriginal health worker and wanting to become a registered nurse, and all the challenges of that, to the next step after our sitting here and saying something is desirable. The reality of achieving it is huge. Would you like to add a little on what I regard as a huge issue and challenge for us?

Ms Ah Chin—I think we need to begin by asking the community what their priorities are—

CHAIR—And expectations.

Ms Ah Chin—And expectations. It may very well be that—if we are talking about education—we need to ask the kids what their priorities are. Somebody earlier today has said that if we were to ask a 14-year old kid doing year 9 or 10 what is important to them—and this does not just apply to Indigenous kids, but kids throughout Australia and the world—it is not going to be mathematics, it is not going to be geography, it is not going to be English. If we are really wanting to engage with the kids, we need to be asking them because we need to acknowledge the life issues there. At 14 years of age they have a lot more things they are thinking about other than those subjects. It might be that we need to redefine things such as curriculum for kids. If we want to get them interested in education, if we want to get them engaged, let us look at what we are giving them. If it is not maths and it is not English—if it is more about how they can develop life skills at that age—what are some of the life skills they need to build up their confidence as young kids in communities faced with all of these challenges?

I think it is those bridging examples that we need to be going back to the community with. If we are churning out more of the same and giving them years old curriculum that clearly does not excite any kid, urban or remote, we are going to end up with more of the same. I think there are some fundamental questions, particularly about education, that we need to go back and explore. If it is about redefining the whole thing and coming back with a clean slate, we need to do that.

Mr SNOWDON—Can I just make this observation. Historically, though, it has been the case in the Northern Territory that most parents in the bush are reluctant to send their kids away for school. The seismic shift has taken place in the Northern Territory since 2001; it is a provision of secondary education in communities. That may well change all of this. You are quite right about the curriculum. There is a lot of work that has to be done, but I do not think we should lose sight of the fact that people had no option but to send their kids away previously, and now that option has changed.

Commissioner Kirwan—Just a quick response. I do not profess to speak on behalf of the younger generation; I have enough trouble dealing with my children and what they are saying. I would have a plea not to totally focus on them. I think we have done well in Australia in addressing women's and girls' education. It is now at a standard that is probably equivalent across most of the areas of boys' or men's. I think that is a similar challenge we now have in some of these other areas. In fairness to the education system, which gets a bagging from people, I think it has a track record of doing pretty well in some of those areas when faced with focusing on them.

As much as our ageing population in our Territory public sector work force is one of those problem areas as well, we should also focus on the people coming back into the work force—the middle-aged people, the people who for various reasons have been denied or not allowed access to employment, and others. It is traditionally Australian to say that at 35 you really should not be on the scrap heap—or even 45, or even increasingly now 55, and others.

We have come across recently, for example, in our schools in remote communities, a number of husband and wife teams from, say, Queensland. They are retired, they work for six months for us and then they travel for six months. There is an advantage in classroom teachers, who are obviously very experienced in their own right, who have held more senior positions—even though they are only working for us for six months—working with the younger kids who are new graduates. It is probably a roundabout way of answering Mr Robb's earlier question about how we do this. I think there are other models like—dare I say it—the old master and apprentice type models, which my generation certainly grew up with, which say we should be bring these people back in. That means that training can be in situ because they are happy to go and work in a remote community for six months and then travel to Europe, go back home or go back down south. My plea is to not just focus on the young ones but on our ageing, disabled and others, to bring them all back into the work force and give them a meaningful role.

Mrs VALE—What was the name of the school that you mentioned that was doing very well?

Ms Ah Chin—That was Beswick, outside of Katherine.

Mrs VALE—Were they Indigenous teachers at Beswick?

Ms Ah Chin—No, these were the kids who were coming up to Kormilda in Darwin.

Mrs VALE—It was Kormilda. If the elders had problems with the attitudes of the young people—like lack of respect—maybe there was a need for greater input from Indigenous teachers, because the non-Indigenous teachers might not have realised the significance of how important that was to the families.

Ms Ah Chin—It obviously raises questions about the mode of delivery of that service and whether we can do it a better way rather than having to access by coming to Darwin.

Mrs VALE—It might be a different focus on how you can have the same outcomes.

CHAIR—We could go to great length, but we need to conclude it there. I very sincerely thank you, Commission Kirwan and Wendy Ah Chin, for a very full presentation and your candour.

Proceedings suspended from 10.36 am to 10.48 am

BERTO, Mr John Peter, Deputy Chief Executive Officer, Northern Land Council

JEFFREY, Ms Natasha Lee Ann, Project Officer, Northern Land Council

KING, Mr Barry John, Manager, Employment and Training Unit, Northern Land Council

ROSS, Mr David Reginald, Project Manager, Northern Land Council

CHAIR—I welcome representatives from the Northern Land Council. Although the committee does not require evidence to be given under oath, I advise you that these are legal proceedings of the parliament. Thank you for being with us and I look forward to our exchange. Would someone like to make a brief opening statement, then we can have a discussion?

Mr Berto—I am here today to tell you a little bit about the Northern Land Council. Our Employment and Training Unit will speak to you about the particular employment program that we run. Before I do this I would like to acknowledge the Larrakia people. We are meeting today on their traditional lands. I will also tell you a little bit about the Northern Land Council so you can get a better understanding of the environment in which we operate. The Northern Land Council was established in 1973 under the Aboriginal Land Rights (Northern Territory) Act. It became an independent statutory authority responsible for assisting Aboriginal people in the northern region of the Territory to acquire and manage their traditional lands and seas. The Northern Land Council was also a native title rep body under the Native Title Act 1993. In this capacity the NLC also represents the Aboriginal people of the Tiwi Islands and Groote Eylandt.

More than 37,000 Aboriginal people live within the Northern Land Council region. Around 70 per cent of these people live outside the major centres in remote and regional communities. They are, without any doubt, the poorest people in Australia. The NLC's land rights work is crucial to our success in providing positive employment outcomes for Aboriginal people. Aboriginal people in our region have two major economic assets: land and labour. We have no capital, which makes enterprise development very difficult. It means we must either rely on others to generate the demand for our labour or use our position as land owners to leverage that demand, and that is essentially what we do.

We work differently from other employment services because we start with the jobs and then work backwards to find the employees. The way we do this is simple. First, we say to people who want to use Aboriginal land, 'No jobs, no deal.' When we have the jobs we train our people. We ask the prospective employer exactly what they are looking for and the type of employees they need to meet the commercial realities of their business. Then we design a comprehensive, specific training and mentoring plan for that project. Last, we project manage the implementation of our plan. Our model, which uses major projects to generate employment, is extremely successful. The railway sleeper project relied on almost 40 per cent Aboriginal employment. But to succeed we need to use our bargaining position—our land. Without the land there would be no jobs because the reality is that employers are reluctant to hire Aboriginal people.

Mr B King—The Employment and Training Unit's main objective is to maximise Indigenous employment on major projects through the Indigenous land use agreements and to provide opportunities for people to follow a career of their choice. It started in 2000 with the Darwin to Alice railway project which offered NLC 50 positions for Indigenous people. After placing more than 150 Indigenous people into jobs by the end of 2002, the NLC decided to establish a permanent employment and training service.

Our approach involves a model of four stages: provision of jobs, preparation, planning and project management. The provision of jobs has to come from the proponents, the mining companies or whatever. There are two ways we coordinate this. One is through the ETM, the Employment, Training and Mentoring, plan, on our own or in partnership with the TCA, the Territory Construction Association. I will outline our guiding principles. We need jobs from proponents; quality information from the companies to plan and inform prospective candidates so they can make their own decisions on what jobs and careers they would like to have; adequate lead time to plan and to inform RTOs, JNMs, candidates and all stakeholders; support of senior management of companies; and comprehensive ETM plans based on quality and real-time information.

We are one point of contact to control the project between the NLC-TCA partnership and the proponents so gaps are fixed immediately. With mentoring, we need support from first contact to build genuine trusting relationships with all concerned and projects to be managed effectively. On sourcing and referring candidates, we have a statutory obligation to traditional owners where projects are operating on their traditional lands. We refer to Indigenous people under these guidelines: first preference is traditional owners, second preference is effective Aboriginal groups, and third preference is other Aboriginal people.

CHAIR—You will have an opportunity to bring up further points as we go through questions. Do not feel obliged to scan over it, because it just puts excessive pressure on you. If there is one final point you would like to make, fine.

Mr Ross—I will leave it with you, Senator.

CHAIR—Okay. Is there anyone else who would like to add anything?

Mr B King—The crux of the issue, to us, is the provision of jobs. You go to the issue and see it is not Aboriginal people. If you look at supply and demand in a strict economic sense and you look at the labour market supply and demand, there are plenty of Aboriginal people. The issue we have is that we cannot get them into jobs. What have been used to get jobs are the land lease agreements. The railway was probably one of the first major projects under the LIAPP, the Local Industry and Aboriginal Participation Plan. One hundred jobs were actually put in—50 to Central Land Council and 50 to the Northern Land Council. Of that 50, we placed over 150. Given the jobs, we would have placed over 200. We had over 40 per cent Indigenous participation for the 2½ years of the sleeper factory at Katherine, when the business participation in the manufacturing industry would have been less than five per cent.

That sets the models up, as we said before, for jobs. For preparation we need information. What we do is different to the normal employment service; we are not an employment service. What we do is supply and demand. We go for the demand side. We go for the jobs. From the jobs

and the specific skills sets the employers give us, we can then develop a specific employment and training plan for those particular jobs. We then recruit people to that project. We do not keep databases of lots of Aboriginal people. We just keep a database on the railway and Bootu Creek, the mine we are working on north of Tennant Creek, specific to those particular areas.

CHAIR—Thank you. I think I am the guilty party for making sure that you were available here today, because obviously I knew of that sort of outcome and how it evolved. You might just like to remind us that it was part of the contract and part of the employer relationship as well as the negotiating position you had within the land council. Just remind me of the issue of the employer and the contract: it has some specifics in it, as I recall. Do you recall that, in terms of the actual railway company that built the railway?

Mr B King—The problem—and I go back many years—in Commonwealth contracts has always been the 10 per cent participation of Indigenous people, which never meant anything. What you had was the employer rocking up at four o'clock on a Friday afternoon or eight o'clock on Monday morning and saying, 'I want an Aboriginal person,' a person who did not have the skill sets so they walked away from the process straightaway. That is why we need the lead time and we need the skill set of the jobs so we can then prepare people to do that and they can go into the jobs. The sleeper factory at Katherine was the most productive in Australia, if not the world. In addition to that, it came in four months before time. So, with a 40 per cent Indigenous participation rate, their productivity was up and the retention rates for that sleeper factory were the same as for the whole factory. But doing that and getting that together required a lot of work by the NLC staff to prepare people.

CHAIR—How did it all go once the contract concluded? Where did a lot of these people go to afterwards? How did it all shake out?

Mr B King—As regards the railway, we would like to have done a lot more, but it is a case of resources and funding. The NLC received from the ACC—the area consultative committee—\$85,000 to do that for the first year, and it promised to provide further funding in the second and third year. Funding did not come. It was only in the first year, so the NLC ran the whole project for the three years. We had great trouble getting information out of the employer about where people were and tracking them afterwards.

CHAIR—So there was some basic agreement there about afterwards?

Mr B King—No, there was none. There was an agreement but, unfortunately, I cannot remember what was in it. I presume that there would have been some details in the agreement and the benefit that came out was the LIAPP, the Local Industry and Aboriginal Participation Plan, that was formed from the agreement. That set 100 jobs, so that was a critical part of that success. It was that situation of having those 100 jobs. We said: 'CLC take 50, NLC take 50. We will fill those 50.' The other critical success factor was that we entered into partnership with the Territory Construction Association. That was a critical success factor for the railway project. Once again, if you go back to supply and demand, you need to have both sides. You have the supply side of job seekers and NLC has the people. We are not employers; we do not have the jobs. The Territory Construction Association is a representative of employers, so it could get the jobs for them. That was an excellent partnership through that process, and it won a Prime Minister's award for community partnerships a couple of years ago.

CHAIR—That was a good outcome. Regardless of any agreement, it seemed to me to be fairly positive and that people would go away with a fairly better view of the whole world that these things can happen. Are there any anecdotal views about where a lot of those people ended up? Did they continue on? Were the opportunities there for them to continue on?

Mr B King—There were no opportunities to continue on, because it was a major project, although one of the Aboriginal people is a supervisor with Austrack in the sleeper factory down south. When the railway was finished in 2003, NLC made the decision that that was successful and that they should set up a permanent employment training unit to then target major projects. Major projects are the ones we continue to target. We have done a whole range of other projects plus pre-employment courses to get those people up. David and Tash have worked on the Wickham Point project here in Katherine as well as the Bradshaw project.

CHAIR—Those outcomes of the newer projects have been pretty positive too, going by that.

Mr B King—Yes, very much so.

Ms ANNETTE ELLIS—I am from the south and I do not know what territory the NLC covers. Have you got a map?

Mr Berto—Not on us.

Ms ANNETTE ELLIS—Can you supply the committee with one that will clearly show us the area that you cover? That would be of huge interest.

Mr Berto—Sure.

Mr B King—Basically the top half of the Territory.

Mr SNOWDON—Not quite half.

Mr B King—It goes to Tenant Creek. That is 1,000 kilometres.

Ms ANNETTE ELLIS—A very large area.

Mr B King—Extremely large.

Ms ANNETTE ELLIS—We noticed on your web site that, following the success of the rail project and the setting up of the unit you have just been talking about, you have identified some other areas of opportunity in mining, hospitality, transport, infrastructure, development and so on. Are you in any position to discuss any of that with us this morning? I take note of what you have just said, Barry, about how you go for the projects. Would you also agree, however, that it would be equally useful to have some ongoing employment opportunities developed unlike the railway one, which obviously began and finished, and that there might be other ways of infiltrating the employment market on a more permanent basis, particularly through hospitality, transport and mining, for argument's sake?

Mr B King—In general terms, yes. That is what has happened post-2003. Basically, we targeted those five areas. David can talk about the Bradshaw project and the Bootu Creek project. Natasha is on the LNG plant in Darwin. We also have just got an agreement with Larrakia and TCA to work together with the NLC on the waterfront project in Darwin. We also have an agreement that goes past that again with those three proponents such that we not only have a major project with the waterfront but also put a number of projects together and we have a construction industry project for the next 10 years. At the moment, we are writing a construction industry strategic plan for the next 10 years for construction in the greater Darwin areas through those processes. We will then look at hospitality and having an industry approach to those which is continuous, using the major projects as the lever.

Ms ANNETTE ELLIS—It is a little bit of a difficult question, I think. To what degree will your emphasis be on bringing in untrained people as against sourcing people who have already received some training? There must be a range of people out there now who have, to use the railway experience again, received some training and who have now come to the end of that. How does your unit choose between going back to the already trained person and bringing in more people who need the training to actually get an opportunity? That must be a hard thing, and something you need to be conscious of balancing.

Mr B King—Part of the process is a certificate III. We are not only giving people jobs; our issue is to train people to AQF level 3. In addition to that—and David can talk more about this—if you look at Bootu Creek, our first priority is to traditional owners. Therefore, with the new mine setting up at Bootu Creek, our concern will be the traditional owners of that area.

Ms ANNETTE ELLIS—So Bootu Creek is a mining—

Mr Berto—Can I make a point here? I want to give you a bit of information. Anecdotal evidence is telling us that people who have been on projects such as the railway have moved into other jobs within their local areas because of the skills that they have gained on that project. Their attitude in general has changed. They have a taste for work and they want to stay in work. It has done a lot of positive things for their own little lives. Although they might not have a plan locked in to take it from that project to another one, they have their own little plans.

Ms ANNETTE ELLIS—So they are better equipped as a result?

Mr Berto—Exactly.

Ms ANNETTE ELLIS—That is terribly important.

Mr Ross—With Bootu Creek, we have the job descriptions, such as road train, civil operations and all that. We have the wages and all that. We get all that information put into a form so that we can tell job seekers what jobs are out there and what skills they need. From there, we will arrange with RTOs and Job Network members the training they will need. The applicants will fill out our applications and go through that process. If they need training, we can refer them. If they have the skills to get a job out there straightaway, they will get one. Otherwise, we will organise a training program with someone like Bechtel. In 2004, we had two general construction courses, an engineering course and a hospitality course run through Bechtel. That was specific for that—

Ms ANNETTE ELLIS—That is very impressive.

Mr SNOWDON—Who funded that?

Mr Ross—DEET. I think there were some funds from Bechtel as well put towards that.

Ms ANNETTE ELLIS—Who are Bechtel?

Mr SNOWDON—Natasha might explain that. She is the Wickham Point project person.

Ms Jeffrey—What do you want me to explain?

Mr SNOWDON—Explain Wickham Point. Assume the committee are ignorant of Wickham Point.

Ms Jeffrey—Wickham Point is the liquefied gas project.

Mr SNOWDON—It is just across the harbour.

Ms Jeffrey—It is across the channel. It is probably an hour from here. The Larrakia work very closely with Bechtel. We have weekly meetings with Bechtel to maximise the Indigenous participation out on the project. We have placed 106 Indigenous people out there. I have forgotten what the question was.

Mr SNOWDON—I will explain. Bechtel are the construction company who are working for Konica Philips to build the plant.

Ms Jeffrey—That is correct.

Mr SNOWDON—They have come to you. You have an agreement with Bechtel about employment.

Ms Jeffrey—Yes.

Mr SNOWDON—Do you want to explain how that works?

Mr Berto—I will explain. The NLC has an agreement on behalf of the Larrakia with Konica Philips who own the plant. Konica Philips engaged Bechtel to build the plant for them. We in turn went to Bechtel and wanted to know the job requirements and skills sets and so on. From there, we developed a plan. Natasha, who is with the Larrakia, and Bechtel work together to—

Ms ANNETTE ELLIS—You said there were 106 so far?

Ms Jeffrey—Yes.

Ms ANNETTE ELLIS—What proportion of the work force is that, roughly? Are they employing 1,000 people or 200 people?

Ms Jeffrey—It is near to 2,000.

Mr SNOWDON—It is a big operation.

Ms Jeffrey—A very big operation. Do you want to know a bit about our pre-employment courses?

Mr SNOWDON—Yes.

Ms Jeffrey—We design these specifically for these major projects. With the hospitality course we put in four-wheel driving, lawn mowing and so on—everything is included in these courses. Out of the 16 people who I started with, 15 graduated. Eleven were employed and I still have nine in employment. In engineering, 17 started and 14 graduated. Eleven have jobs to date.

Ms ANNETTE ELLIS—That is very good.

Mr Ross—There are also five apprentices with that.

Mr SNOWDON—What trade areas of engineering are they apprentices in?

Mr Ross—Welding. Obviously the gas plant has pipes, so there is pipe welding and that sort of stuff.

Mr ROBB—What educational levels would they have? What would those who have done the pre-employment course typically have done? Would they have gone up to year 9 or 10?

Ms Jeffrey—We get them to fill out an application form and then we do a five-step interview.

Mr Ross—A lot of these guys and ladies have been out of work since they left school. They probably have year 9 or 10. They have had work experience and are just coming back to get some qualifications and an opportunity to get onto these projects.

Mr SNOWDON—So they are older people; they are not necessarily kids just out of school?

Mr Ross—Yes.

Ms Jeffrey—They are a mixture. We are really reluctant to take the younger kids. We would rather push to keep them back at school—if they can stay.

Mr Berto—Bechtel are very strong on employing only mature age people.

Ms Jeffrey—They are very strong on that—18 and over.

Mr Ross—There are obviously OH&S issues.

Mr SNOWDON—In contrast, at Bootu Creek, for example, you would be looking for a different set of people entirely.

Mr Ross—Yes. Obviously they will be from the Tennant Creek area. It is a 10-year project compared to the construction phase at Bechtel, which is only three years—so we have time. We are just preparing with the proponents what the jobs are there. We have a list of people, but I have to go down and give them more quality information about what jobs are there. People are saying: ‘I want to get a job out there. What job do you want?’ We cannot give them that until the contractors give us job specific information—what skills are required and other information about the conditions and that sort of stuff.

Mr SNOWDON—So, in the case of Bootu Creek, is it likely that you will say to the Tennant Creek High School, for example, that potentially 15 jobs have to be filled by tradesmen in particular areas over the next 10 years?

Mr Ross—Yes. I was just asking them the other day whether they had any scope for apprentices, and they had none in the jobs that the contractors had given us. So that is somewhere we can go that is outside the square that they and the four contractors are thinking in.

Mr B King—Warren, the answer is that when we talk to the proponents—the major contractors—they say, ‘We want to go to the school and do that’, and I say, ‘I won’t be going with you. When you employ Aboriginal people in jobs, we will go and talk to the school about the real opportunities and the real jobs there.’ There have been too many cases where the contractors say what they are going to do and not do it. That is why it is critical that we have the jobs and a written agreement that they will give us the jobs—we will work from there. That is the idea that we want to put in place. We have a youth program to put those processes in the schools. But first let us get the people into Bootu Creek, into the mine, working there as role models in real jobs—a process of vertical integration and accredited to the tertiary levels—and then we will go to the schools.

Mr SNOWDON—What about other mines like McArthur River? Are you associated with McArthur River?

Mr B King—We are just building up. One of our biggest issues is that we do not have the money. Resources is our biggest issue; we do not have the funding. And then I suppose it is the protracted years that it takes you to get any sort of agreement from the federal government. But we have done something within that process. The community liaison manager for the railway is on the Bootu Creek project and, because of our success on the railway, he said to us, ‘I want you to do the same thing.’ So we have gone there. The beauty of Bootu Creek is that it is just starting and, as David said, we can put in a culture there that says: ‘Employ Indigenous people in the proper way, with the proper recruitment and training, right through the process.’

We need the information. We were told to put in Aboriginal people there and to put in an application. Would you put in an application if you did not know the name of the job and if you did not know the conditions—the shifts, the wages and that whole range of issues? But Aboriginal people are expected to do that. We said: ‘No. We won’t give you an application until you tell us the job and the skill set required. Then we can tell you what we’re going to do.’ We can feed that to people and ask them: ‘Do you really want to work at Bootu Creek, out in the middle of nowhere, for two weeks on, one week off et cetera?’ We have another criticism of Bootu Creek. It is a long-term project and we want to get the traditional owners on that land involved. We want not just Aboriginal people but the traditional owners to get involved in that

process. This is an excellent opportunity for traditional owners in that area. They are 120 kilometres north-east of Tennant Creek and have no opportunities.

Mr ROBB—John, you said there are 37,000 in the region covered by the council and about 26,000 of those are in remote areas. Could you give us a sense of the difference between the 11,000 in the more urban areas and the ones in the remote areas in regard to education and life experiences? Also, what sort of levels of employment are we seeing in those two areas at the moment?

Mr Berto—The differences between what we commonly term urban and remote people is that the remote mob definitely have a lot of struggles regarding all the general services. They have health problems; education levels are quite low. It is pretty hard to compare them with their urban brothers and sisters. The standards in urban centres are fairly equal to those of other Australians. It is much easier to get someone job ready if they are in good health and have stable home backgrounds and education levels than it is with someone who has hardly any of that in place. So the remoteness factor is very difficult to deal with.

These projects are certainly proving that people out there do have the will to work. They want to work; there is no question about that. They are lining up and they want to work. That is contrary to what a lot of people locally believe, especially the big employers. They think that our mob just do not want to work; that they have been on the dole and CDEP for too long. These projects are proving that that is wrong because they are definitely lining up.

CHAIR—That is what this inquiry is about—to see that there is a positive aspect out there.

Mr ROBB—With these projects, would you be sourcing most of the employment from the urban areas?

Mr Ross—With Bootu Creek, a lot of people from Tennant Creek have worked elsewhere—in the mines and so on. They have put in applications to say that they would like to go back to Bootu Creek. This creates ready-made role models who will slowly bring the community up to speed.

Mr ROBB—They would still be in the urban category, wouldn't they? You would still see them as basically Aboriginals from urban—

Mr Ross—They would be TOs, if they are from Tennant Creek originally.

Mr Berto—There would be a mixture. In places like Bootu Creek and Bradshaw, a majority of them are remote, with a bit of urban in there as well.

Mr ROBB—I am just trying to get a sense of whether these projects are growth projects.

Ms Jeffrey—We would have more urban—

Mr ROBB—Sure, but it is working for a lot of—

Ms Jeffrey—Yes, for a lot of other Indigenous people, too.

Mr ROBB—Yes, in the remote communities.

Mr Berto—Where you get an Aboriginal work force, it attracts other Aboriginal people to it as well. They feel more comfortable with their own mob working there, so they will come in. At Alcan, their work force has only one Indigenous person out of a total of about 900 to 1,000. It is a pretty poor effort, I think.

Ms Jeffrey—Even if we cannot get these candidates into the major projects, we still refer them to local employment to fill the gaps that we have here.

Ms ANNETTE ELLIS—At the outset you said, John, that where it is Indigenous land it is a matter of ‘no jobs, no project’. Can you explain to me how it works? You have this agreement originally, and you say, ‘Okay, we’re going to get on with this.’ Barry was inferring—I do not know if you are doing this directly—that there is always an issue about how it progresses. You were illustrating that there can sometimes be reluctance on the part of the company or the employer to be as forthright as they may be in relation to job descriptions and, therefore, moving the issues. Tell me how it works—not in legal detail, but practically—in setting that arrangement up in the first place. If there is that demonstrated reluctance, or dragging the chain a bit, what options do you have at that point to ensure that agreement is stuck to? I need to understand how that operates.

Mr Berto—Sure. We have specific clauses in agreements that provide for typical phrases like ‘maximise Indigenous employment and training’. We then negotiate specific numbers from time to time, depending on the nature of the project. We have default clauses in there as well so if the employer, who is the other party to the agreement, is not doing much about trying to create an opportunity for our mob then we sue them with a default notice. It puts the pressure back on them to get to the negotiating table again and start talking. If you are going to be talking seriously then we are interested; if you are not then we will not withdraw the default notice. It also puts pressure on the overall project, because traditional owners will then make decisions where it is going to affect the project. Those mechanisms are there; we will use them if we need to. We have used one already at Bootu Creek.

Ms ANNETTE ELLIS—Conversely—Natasha, you mentioned jobs at Wickham Point—if there is a record of success in relation to a project, is there the capacity for that number to increase with the agreement of both parties—obviously, most importantly, the employer, the company. Does that ever happen? It is working so well—

Mr B King—That is what should happen, and I suppose a good example is the one I gave you before: the railway had 100 situations, we got 150 and basically they then signed off and said, ‘See you later.’ We placed 150—we could have placed 300—and we had a database of plenty of people there. The big question from the railway, in partnership with TCA, was that they were concerned that there would be sufficient people. We believed, yes, we would have plenty, but it even surprised us how many people rocked up for that process. These were not people who just came in and put an application in. Before we took an application, we would talk to people in groups of 20, tell them about the projects and get them to decide whether they wanted to put an application in. It is a way in which we are different. We had a database for the railway of 600 people, but we would have talked to in excess of 2,000 people with regard to that situation. We do it differently through that process and aim for success from that point of view. That is why

our results are successful, because we are getting those people who understand the process to make a choice to do that.

Mr SNOWDON—In the case of Bechtel it is likely that if you could find 25 fitters, or whatever, you could get them a job simply because the demand for employment is there. It is really a question of getting the people with the skills to meet the job requirements.

Mr B King—Yes, but there is still a major reluctance from employers to employ Aboriginal people.

Ms ANNETTE ELLIS—That is where the lead time is important.

Mr B King—Yes, it is critical. For example, recently a major construction company came and talked to us. There were situations vacant, so I asked them, ‘How many jobs would you be prepared to give to Aboriginal people, or what percentage of your work force would you like to be Aboriginal?’ The answer that came back was three per cent. The population around there of Indigenous people would be 50 per cent. In our dealings, we want to start at 20 per cent and build on that. You get three per cent by default.

Mr SNOWDON—What is your relationship with the trade unions involved in the construction industry?

Mr B King—In relation to the railway, we did not have much to do with them because of the situation. This year we have initiated negotiations with union representatives, particularly with regard to TTP—the trans-Territory pipeline—which is not going ahead, because we were working on the trans-Territory pipeline and that sort of stuff. That is just an example. We were talking about employment and training. We wrote the employment and training plans for the trans-Territory pipeline. These are the employment and training plans that we wrote for those situations. They are quite comprehensive to make sure you get the outcome for that process. The only thing is that it is not going ahead, but that plan could be used again on other pipelines and various other issues. That is the sort of preparation we have to put in to get the results. We need the information to put into those plans and those plans then have to be project managed. For that four-stage model, if all those things are not in place, it all falls apart. The project coordinating role the NLC plays is the critical success factor as to why other things do not work, and that is why we have put it together that way.

Mr ROBB—What are the top three reasons for why employers are reluctant?

Mr Berto—The product is not good enough.

Mrs VALE—Or they do not think it is.

Mr Berto—Yes.

Ms ANNETTE ELLIS—Their perception is—

Mr SNOWDON—Historical, a lot of them.

Mr Berto—Yes.

Mr SNOWDON—Not to put too fine a point on it—it needs to be very clear—historically, there has been an entrenched racist attitude towards the employment of Aboriginal people in the Northern Territory. You are trying to turn that attitude around and clearly with Bechtel—which is not a Northern Territory company—that has not been a problem. There has not been a problem with the railway but there has been a problem with some of the local employers—historically that has been the case. Things are now changing, obviously because of the relationship-building which you are doing.

Mr B King—And you have the issues going back to Mount Todd—30 per cent employment rates come out of Mount Todd. When they know what is going on, those results can be achieved.

Mrs VALE—Thank you all for coming and helping us understand. On another issue, you were mentioning the reluctance to employ Aboriginal people. I am on another committee—the Standing Committee on Science and Innovation. Everyone coming there has told us about the reluctance to use Australian innovations and that if a product is made in Australia, people do not think it is good enough and want something from overseas. That seems to be the perception right across the board and we have to change that. Barry, I am interested in your very real drive on jobs. At one stage you were talking about a contract requiring 10 per cent of Aboriginal participation. That is obviously not enough. I heard you mention that you would like 20 per cent Aboriginal participation in other contracts. Is there anything governments could do? We have heard from another witness that government is now subcontracting a lot of construction work and road works and of course there is a requirement in the subcontracting procedures or processes to have what he called value for money.

Is it possible that governments could be asked to incorporate a percentage of Aboriginal participation in their tendering process? I understand from our secretary that in other parts of Australia there is a basic requirement of 20 per cent Indigenous participation. Therefore, all the contracts that come in have that 20 per cent and 10 per cent does not seem to be enough—it is token. Perhaps some sort of training component could be part of that tender process. You are focused on jobs. All we can really do is try to get the jobs that are there. There are obviously jobs around which are not coming to the Northern Land Council. Would that help in any way? Would it be only one solution?

Mr B King—That definitely should be the case. What I was saying before with the 10 per cent was—

Mrs VALE—It is not enough.

Mr B King—No. I was using 10 per cent as an example. Even at 10 per cent, no-one was employed. When I came to the Territory in 1988 as the employment and training manager in regard to maximising Indigenous participation on the Tindal process, basically the employer thing was very much a joke: rock up in the morning and say, 'I want this sort of situation.' We need that provision in contracts and already that is having an effect. If we use Bradshaw as an example, the three preferred tenderers came to—

Mr SNOWDON—Would you explain Bradshaw please.

Mr B King—Bradshaw is the field training centre out towards the Western Australian border for the Australian Army. In regard to the three preferred tenderers who are doing some work out there, basically two of the three preferred tenderers came to the NLC and said, ‘Can you help us with employment and training issues in regard to putting in our tender?’ We need to make sure they all have that, but it needs to go further. We are involved in training but we have dropped the word ‘training’ because it is training for what? We just say, ‘We’ve got jobs and we’ve got people. We will get them the skills to work in there.’ So we need the lead time. We need the quality information of how many jobs there are and what the skills set for the job is and we can do training prior to that situation. The employers will not give us that information either. David is trying to work on Bootu Creek. We have been trying to get the 65 jobs in the mining process. We need those jobs. We need to know the classification, the wage and the skill set, so that we can then develop the pre-employment training and apprenticeship programs to do that situation—because there are no apprentices in the 90 staff in the Bootu Creek mining project.

Mrs VALE—And is the IR manager reluctant to give you that information at this stage? Is he digging in his heels?

Mr B King—They are starting to give it to us now. That mine was supposed to open a couple of weeks ago; it has now been put back another couple of months. But that is not a sufficient lead time. They know that. They have indicative staffing for the mine. If you have a mine of 80 staff, you basically know—

Mrs VALE—You know what you are going to have to have, and you know the skill set you need.

Mr B King—We just need to know what that is and how they are putting it together. They know. They have their Ghan charge for the rail and the rest of the stuff; they just refuse to give it to us to work out that situation. If you do not have that specific information, you cannot develop a specific employment and training program to meet the commercial demands of that particular project. For example, Mitchell, who have got the transport at Bootu Creek, only have nine staff there: there are six who have to be road train operators and motor operators, two who have to be diesel fitters, and the manager. There are no apprentices. If we put in with McMahons, we are going to look at putting in some apprentices and solve a lot of issues. But, until we know that, we cannot develop the plan.

Mrs VALE—Does the Northern Territory government require anybody putting in any major project in the Northern Territory to have a certain amount of Indigenous participation in those projects? Is there an overarching requirement?

Mr B King—I believe there is; I am not sure of the latest details.

Mrs VALE—If there were, the onus would be on the IR person from this particular creek project to give you that information up front.

Mr B King—A lot of them deliberately will not give it to you. I will not mention names, but we have been working a long time. They just do not give it to you. It is a power play.

Mrs VALE—Another issue that a previous witness brought up was NORFORCE and how you can articulate the skills that Indigenous men learn at NORFORCE. They would be accessible to you. That was something else I wanted to ask you: do you keep an ongoing database of available people's skills, or when you are looking at a project do you call for applications? Do you have a standing database?

Mr B King—No, we do not. We are not an employment service. We are a specialised employment group based on major projects. We do not have the resources, the money, to run an ongoing database. There are going to be 90 jobs at Bootu Creek. We will set up a database now for Bootu Creek, emphasising the traditional owners of Bootu Creek and that area.

Mrs VALE—Would it be of help to you to have that kind of database?

Mr B King—Definitely.

Mrs VALE—How much would that cost? We are not giving away any money, but I just want to have an idea—before the chair has apoplexy!

Mr B King—That is our ultimate goal. We have people coming back voluntarily to get to that cert 3 level. Cert 3 is like a trade level qualification.

Mrs VALE—It would give you a profile—

Mr B King—It is not a great lot of money, but people are reluctant to have a long-term approach to these issues. We started on the trans-Territory pipeline a couple of years ago to get the process together. The government funding and anything else you can access does not cover the two years preparation required to do the job properly. That is a major gap within that process. There is then no money, post the project, to follow up and address the other issues. Your Job Network members—what are they after? Job Network members are after a 13- and a 26-week outcome. We are after a cert 3 qualification, which takes three to four years.

Mrs VALE—So you need a longer term.

Mr B King—Yes. That is what our aim is.

Mr SNOWDON—Do you get payment for the placements?

Mr B King—We are with some of those. We do have agreements with some Job Network members to get some payments, but not enough, and some Job Network members will not deal with you.

Mrs VALE—How much are you looking at? What is your ballpark figure to set up a permanent database of the skill set of your people?

Ms Jeffrey—Our last one cost us 10 grand.

Mr B King—Yes, that was a very small situation.

Ms Jeffrey—That was for the railway.

Mrs VALE—So you are not looking at megabucks?

Mr B King—No. But there is the money to get the program—

Mrs VALE—Yes, I know.

Mr B King—and then you need the people.

Mrs VALE—It has to be a living document, if I can call it that.

Mr B King—That is why we do not maintain databases: they are only as good as they are current.

Mr Berto—I would like to make the point too that this employment and training unit that we have within the NLC works very closely with our business unit. The business unit is about trying to get our mob hooked into subcontracts on these projects. Those subcontracts then in themselves create employment, and they can control it. We are trying to do that with Bootu Creek at the moment, with the Bradshaw defence facility and with Wickham Point here. Those business entities will be owned by the traditional owners of the lands that those projects sit on and they will fundamentally chase subcontracts. There is support on the table for these subcontracts, so we are in the process of negotiating and taking on some of these contracts. So I just wanted to make the point that we are coming at employment for our mob from another angle.

Mrs VALE—I understood that. I was just thinking that there are other opportunities out there that you are being denied, perhaps because there is not sufficient onus upon the business community to include you. That is what I am saying. I take your point.

Mr SNOWDON—I have one question. You mentioned Job Network providers being unwilling to work with you. Can you elaborate on that?

Mr B King—We have varying degrees of partnership with Job Network providers. Some have preferred not to work with us. If the Job Network place someone, they get a fee. We have tried to get an agreement to share some of that fee. Some providers have said, 'No way in the world; that won't do at all.' Others have given us some money, which is basically a pittance. Very few would give you any money that is a reasonable amount to make sure you are sustainable. Generating money is not easy to do.

Mr SNOWDON—But do they work with you?

Mr B King—We do not duplicate. We project manage and quality assure. We want them to work through that process. Job Network members are not going to go out and get all the jobs on Bootu Creek. We have already talked to Julalikari in Tenant Creek, including the Job Network member, about working with them to fill the jobs in Bootu Creek. We have a good relationship through that process, but we do not have any financial arrangement.

CHAIR—David, do you have anything else you would like to say? Natasha, John or Barry, do you have any final summing-up comments?

Mr B King—Going on from the sleeper factory, this is the Austrack report. We mentioned that we got a 40 per cent participation rate there, and you were saying how things went on. They are saying that they started 40 Indigenous apprenticeships at the cert II level. Twenty got through the cert II level and 11 got through the cert III level. Those traineeships were set up by the NLC. Austrack had no accredited training program when we did the employment training. We recommended that training become accredited to AQF, which they did. That would not have happened without us. In addition to that, they put 23 people through their forklift tickets, 28 people through their gantry crane tickets and 14 people through their front-end loader tickets—and that is in a very small sort of operation. So it proves it can be done through that process.

CHAIR—It is a wonderful example, and we really appreciate it. That is why I hoped you could be with us today—to remind us of those very positive outcomes. Thank you very much for your presence today and the time you have given us.

[11.38 am]

GONDARRA, Reverend Doctor Djiniyini, OAM, Chairman of the Board of Directors, Arnhemland Progress Association Inc.

KING, Mr Alastair Robert, General Manager, Arnhemland Progress Association Inc.

CHAIR—Welcome. We are under some time constraints.

Mr A King—We would like to show you a very short DVD on ALPA. It is just under five minutes long, and it will give you some specific vision of where we are, where we are from and what we do as far as employment and business go.

CHAIR—You can also do a very brief PowerPoint presentation and then we will go straight to questions. Over to you.

A CD-ROM presentation was then given—

Mr King—I thought that DVD presentation was important for you to see where we are at.

CHAIR—Thank you.

A PowerPoint presentation was then given—

Mr King—The first slide shows that we have five member communities in Arnhem Land: Minjilang, which is Croker Island; Galiwin'ku, Elcho Island; Milingimbi; Ramingining; and Gapuwiyak or Lake Evella. They are our member communities.

The next slide shows some quick facts about ALPA. We are one of the largest financially independent Indigenous employers in Australia. We are the third largest retailer in the Northern Territory; we have turnover in excess of \$30 million a year. We are not reliant on external funding subsidies for our operations. Last year we returned approximately \$4 million to member communities in wages, store improvements and benevolent programs.

I will not go into the history, but the very first part of our mission statement is basically to give our customers the very best retail service that we can, with an emphasis on Indigenous employment and training.

Our structure is made up of our five member communities and our board of directors. I report to the board of directors and the departments report to me. Our board of directors is very important because it is actually representative of our five member communities. We have one landowner representative, or their nominee, and the community council chairperson as the highest elected person in that community. So, there are two people from each community forming a board of 10; they then elect the chairman, who can be one of their own, a member of the board, or an external person. Reverend Djiniyini has been our chairman for about eight or nine years.

We have a range of benevolent programs—we are a benevolent organisation. We are right into health and nutrition these days, and we have a new strategy—I will not go into that. We also manage a number of other stores as well as our own five. We have Ajurumu store on Goulburn Island, the Bullocky shop in Ramingining, Mikbamurra store in Umbakumba, the Allawah community store in Hodgson Downs, Robinson River and Kalkaringi service station in Kalkaringi, and we have just picked up the Pirlangimpi group of businesses over on the Tiwi Islands as well.

Getting to the issue of employment, in Richard Trudgen's book *Why Warriors Lie Down and Die* he makes the point that when he left Arnhem Land in the early eighties 95 per cent of the work done in our Aboriginal Arnhem Land communities was done by Yolngu with five per cent support from Balanda. So, 95 per cent of the work was done by Aboriginal people with five per cent support from non-Indigenous people. When he returned in the mid-nineties, and to this very day, five per cent of the work is now done by Yolngu and 95 per cent by Balanda.

ALPA has a commitment and employs local Indigenous people as a priority. We have more than 200 Indigenous employees across the ALPA group. Our employment is a budget expense of the store; it is not CDEP funded. Employment provides an independent income at above award conditions and our employees are involved in decision making, through weekly meetings with supervisors and assistant managers.

To give you a break-up of our employees: employees with less than five years service, 198; employees with five to 10 years service, 15; employees with 10 to 20 years service, seven; and two Indigenous staff have been with us for over 20 years. All of our staff are given the opportunity and are encouraged to enrol in accredited retail courses and 140 staff have completed certificate level qualifications. It does not matter where they work in the store, whether it be in the storeroom, the office or the selling area, there is a career path for everyone who goes through accredited training to supervisor level. They can then do certificate III and go on to become assistant manager and one day—we hope—manager.

Why does Indigenous employment work for us? We have a commitment to it from all levels of our organisation, from the top to the bottom, Balanda and Yolngu. We also have disciplines there. We make sure that, when we are recruiting managers, they understand that they are not only store managers but also trainers. That is a very important part of their job. If within a short period we find that they do not want to train Indigenous staff, we do not keep them—they are gone. That is a very important area where we see that we are different from other community organisations.

We also have a very in-depth orientation package, which we go through with our non-Indigenous staff before they go out to Arnhem Land. Once they have been out there for three or four months and they have a lot of questions, we put them through a cross-cultural course. The penny tends to drop once they have been out there for a while and they do the cross-cultural course, so they have a better understanding of the way things work in Arnhem Land.

We are the employer and the registered training organisation, so we know how to deliver packages to our members. We believe that they all have the capacity to do any of the work in our business, and we have succession planning by example. The older staff who have been supervisors and assistant managers are bringing on the younger staff. We believe in giving our

staff ownership of jobs—for example, fruit and veg. So if staff are doing the fruit and veg area, they own it, they take the credit for it and they feel as though it is theirs. That concludes the PowerPoint presentation.

CHAIR—Thank you, Alastair. That was very good. I invite our two witnesses back. We are open for questions. Who would like to open up?

Mr ROBB—Alastair, you said in one of your last points that you believe in the capacity to do any work et cetera, but then you made a point that management positions within the store are not particularly attractive because of cultural issues. Could you expand on that and explain what appears to me to be an inconsistency between your objectives and—

Rev. Dr Gondarra—One of the difficulties we find in trying to employ the business manager a bit earlier is the cultural situation: the culture that they are in and the customs. Several times we wanted to put somebody into one of the stores, to take control of the whole managing of the store, and we came across difficulties. I think that there probably needs to be some more discipline and we will want to talk to the particular clan that the person is representing. That does not mean that an Indigenous person would take the leading role as a manager, but the board of directors has been very, very careful in looking at some of those difficulties that an Indigenous manager would confront with his own people. Do you understand what I am trying to say?

CHAIR—Yes.

Mr A King—Can I add to that? In Arnhem Land, family and culture come first and always will, and to be successful out there I think that you have got to realise that. The staff have family and cultural obligations which will always come first, so if they were a manager and one of their family asked them for something they could be duty-bound by their position in the family to give them that. That is one aspect of it. There is no doubt in my mind that there are a couple of ladies there that could manage the store but they do not want it; it is too much pressure on them and at this stage they just do not want to take that on. In the early eighties ALPA actually did have Yolngu managers with non-Indigenous support managers and because of the family obligations it didn't work. It does not mean it will not work in the future, but the board took the position that now was not the time and that it was unfair to put that amount of pressure on the Yolngu staff. But we do have Yolngu assistant managers and Yolngu supervisors.

CHAIR—In your 2003-04 annual report you state:

Our challenge for 2004-2005 is to replace an ageing yolngu workforce with the next generation who are required to work weekends and shifts as the trading hours reflect the competitive environment in which we work.

It makes a number of statements about the way you operate your stores. That is, you do meet the market, obviously, but you have that issue, and you showed us numbers earlier. Can we drill in and actually say now (a) how are you doing that, and (b) what do you think the attitude is of the next generation to fulfilling that task?

Mr A King—I am going to get into trouble here. We lost a generation there in the big changes that happened in the seventies and eighties. A lot of our staff are more senior but the encouraging thing is that more and more, when I go out on store visits, I am seeing younger people coming

through. It is not the 30-year-olds, it is the teenagers and early 20s that are coming through, and we have to work with other community agencies, in particular the school, because they are our next generation.

If the store is one of the few opportunities for employment then we have to get them interested by career talks, getting them in for work experience—we found that is really successful. But sometimes the teachers have to think about what is available here and not what is available outside of here. Many times we have had great staff or young people interested, but they have been guided to being something else and when they come back to the community there is no outlet for them: there is nowhere to do that particular skill. So we really have to remember that and look at what skills are needed within the community, and get the commitment of the people who have those skills to train Aboriginal staff: carpenters, plumbers, electricians, builders. There is plenty of work out there but generally they do not want to work with Aboriginal staff, so they say no. And we are saying, ‘Well, what they doing out there?’

CHAIR—Okay. In terms of the operation of the stores, what are the opening hours? Is there a reasonable consistency across your network or is it adapted to each community? How do you negotiate? You talk about weekends and shifts—and like any good store stacking the shelves is really part of that at a certain time, I guess. How do you operate and is it consistent across your stores?

Mr A King—It depends on a couple of things. One is what the community wants. That is first and foremost. The second thing is our capacity to meet those hours. If we have got no staff coming to work or no-one wants to work weekends, we are not going to have managers for very long if they are working seven days a week. Where we have got larger communities, our shops generally open at 8.30 in the morning and trade through to, say, 5 o’clock at night, but the takeaways, which also have convenience lines in them, are open from about 9 am to about 10 o’clock at night. Some of our smaller communities trade from about 9 o’clock in the morning, have a break at lunchtime—most of our communities believe that staff need to be with their families, so they will have a break for an hour or sometimes two—and then they will trade from 2 pm until 5 pm, 5½ days a week. So it depends on the size of the community and what they want. Sometimes we have made a mistake going in there and saying, ‘These are the ALPA hours. We are going to do this for you,’ and they say, ‘No, we do not need all those hours.’

CHAIR—You subsidise the freight on the fresh fruit and vegetables, I think.

Mr A King—Yes.

CHAIR—What initiated that policy and why? Obviously there has to be a cross-subsidy there somewhere. How does it impact on the bottom line?

Mr A King—Fruit and veg was such a small part of our business in the early 1980s, and the whole idea of the thing was to drive consumption. So the board made the decision to subsidise it. We put an extra 20c on cans of Coca-Cola and an extra 10c on a packet of cigarettes. It does not meet all of the cost, but it helps to soften the blow on our gross profit.

CHAIR—Would that mean that, in most of your stores, your fruit and veg is a similar price to Darwin?

Mr A King—Yes, and quality.

CHAIR—You can demonstrate that as a fact.

Mr A King—As a fact, and our quality is very good too. Also, the board made a decision in the 1980s not to have plastic bags in our communities. Everyone is getting into it now, but we have not had plastic bags in our stores since 1985—20 years.

Mrs VALE—Great leadership.

CHAIR—That would be reflected in your local environment.

Mr A King—It absolutely does. A plastic bag costs you about 2½c and a paper bag costs you 18c. So it costs us to do that, and the board has always been very strong on that one. It costs us about \$70,000 a year.

Ms ANNETTE ELLIS—I have a couple of quick questions. Can you tell me again: you operate how many stores of your own?

Mr A King—Five.

Ms ANNETTE ELLIS—You manage how many others?

Mr A King—We have another nine.

Ms ANNETTE ELLIS—And the staff in those nine are Indigenous, like the five in your own stores?

Mr A King—That is what we aim for. Often when we take them on, there is a lot of non-Indigenous staff, but we try to get more and more—

Ms ANNETTE ELLIS—How much do you succeed at that?

Mr A King—Ninety-nine per cent. It just takes time.

Ms ANNETTE ELLIS—Okay. My past experience has shown me that there are really good store managers and there are really bad store managers out and about. Do you discern and act fairly promptly if a store manager does not measure up?

Mr A King—Yes.

Ms ANNETTE ELLIS—You get rid of them.

Mr A King—Yes. Because of wrongful dismissal laws and that sort of thing, it can take a couple of months. We had a situation late last year where it took a couple of months to edge managers out. We try to target people within their probation period so that hopefully in that

period of time you can see whether they are not up to the job or whether they do not want to work cross-culturally.

Ms ANNETTE ELLIS—Is what you call the ‘benevolent programs’ the profit made from the stores that you put back into community through the board?

Rev. Dr Gondarra—We put the profit back, yes. We send it back to the community.

Ms ANNETTE ELLIS—Does the money go from the store to the store community, rather than being aggregated and then paid out?

Rev. Dr Gondarra—It is controlled by the store committee and they make the decision on how the money is to be used through consultation with the community council.

Ms ANNETTE ELLIS—Where the store is actually sitting?

Rev. Dr Gondarra—Yes. The money is used for different projects—education and so on.

Ms ANNETTE ELLIS—I acknowledge that it is essential that the community that uses the store has a say in how that money is spent. Has there ever been any consideration—

Rev. Dr Gondarra—Let me just make it clear that the store does not have a say. When the money goes into the community they have a committee which represents the community—the name of that committee is ‘store committee’. It does not mean the stores control the decision on how the money is spent.

Ms ANNETTE ELLIS—I understand. The community committee does.

Rev. Dr Gondarra—Yes.

Ms ANNETTE ELLIS—Has it ever happened, or do you think it would be possible, that sufficient money was made that it itself becomes a job generator within the community? An example is a community that has a need for a community worker or a youth worker. Has that ever happened?

Rev. Dr Gondarra—No, it has not happened yet. The money has been used for enterprise as well—small enterprises that people wanted in the last couple of years. If the community makes a charter, plan or strategy for how the money will be spent properly, they have been trying to monitor that and have been trying to see the possibility in the near future that that would happen.

Mr A King—We had enterprise development loans to start Yolngu enterprise but they almost all failed.

Rev. Dr Gondarra—That failed because people were looking at ALPA as a bank where they could come and get a loan. The board was able to see that weakness and started to think, ‘Let’s not offer them a loan’—or something like that. The board thought they should educate them to become businessmen so they can learn about how to run a business, and try to help them to be able to look for money somewhere else.

Ms ANNETTE ELLIS—I understand.

Mrs VALE—You were talking about training, and people who put their hand up to be trained, to work in the stores. You have local schools in the area and I wanted to ask you about the participation rate in your schools. Before you train people to work in a store, would they have to have a rudimentary level of education, Alastair?

Mr A King—Yes, they do. Each of the communities has a school. Most of them are challenged by attendance and they have different strategies to deal with that. Interestingly, one of our store committees is using some of their dividend money to buy uniforms for kids that go to school every day. If they get their required amount of attendance at school, they get one of these shirts to wear and they are allowed to go to the shop anytime they like outside of school hours. The other kids are not allowed to be served; they are told to go to school. That is an initiative from the store committee.

We know that, for the future, we have to start working with those schools. We are hoping that the schools will want to work with us, because it is the only way forward. It is the same with the clinic. They are both crucial areas in a community that we have to work closely with. We send a basket of fruit and veg for the best attendance in a class every week, so they get a free morning tea, if you like. We have things happening like that to try and build up a better relationship with the schools and to get the kids into the store.

Mrs VALE—That is very innovative; that is great. How do the elders see the need for education amongst the children? Is there an awareness that the children need to have a certain amount of education?

Mr A King—Absolutely.

Rev. Dr Gondarra—That is the key concern that the elders have. They would like to see their children take the opportunity and the challenge of having mainstream education. That is the only way they will find a job. The major concern in Arnhem Land at the moment is to see kids being educated.

Mrs VALE—Is this initiative about the children having a uniform or a shirt—that they can actually go into the store? Is that having an impact? Are you seeing any results from that?

Mr A King—It has only just started, so it is a bit early to say. I have heard so many of the old people say to me over the years: ‘The Balandas have the knowledge but they don’t want to share it.’

Mrs VALE—Yes, but the knowledge comes from education. That is the key, isn’t it?

Mr A King—Not just education. The tradesmen out there—

Mrs VALE—Yes, but you have to have the education before you get that; it comes first.

Mr A King—Yes.

Mrs VALE—Congratulations on your leadership with the plastic bags issue, because, as you know, we are finding that that is a real problem. You said that it cost you \$70,000 to have paper bags. Once upon a time, even before paper bags, all the grandmothers of my day used to use string bags. Has there ever been a thought of training some of your Indigenous women to make the old-fashioned string bag, because you have only got to make one?

Mr A King—They do. They use them for hunting and around the house and stuff. We gave bags away as an initiative in the early nineties and said, 'Here are some canvas bags—a couple for each customer.' We did that for a period of time and then said, 'No more bags; you have to buy them.' It lasted five minutes. They used them for crabbing—

CHAIR—In fact, I saw a couple of those green ones yesterday. Are you aware of the Indigenous Coordination Centre in Darwin?

Mr A King—Yes.

CHAIR—Have they approached you and sought views on how you operate and that sort of thing? Have you had discussion?

Mr A King—They have. We have done presentations to them. In the recent past we have signed a shared responsibility agreement for our new store at Croker Island, Cyclone Ingrid having smashed down the old one. Also, we have just signed a shared responsibility agreement to help us with our health and nutrition strategy. There would have been the cost of employing our own nutritionist and building her a house and putting a good food person in every store—that is five new jobs plus the consultancies if they decided to take it up. To get to that stage would probably have taken us three, maybe four, years of self-funding it, whereas with the shared responsibility agreement we are going to be there in 12 months. We will have the good food people trained and in place, we will have our own nutritionist living in Arnhem Land and we will have our health and nutrition strategy in place, evolving and continuing to grow.

CHAIR—So that initiative is already in place. The shared responsibility agreement has been done—it is a done deal.

Mr A King—It was signed at our board meeting last week.

CHAIR—So our timing is not bad. Is there a final statement you would like to make?

Rev. Dr Gondarra—I think that what ALPA is trying to promote is very important. It is a signal for all Australians to see that Aboriginal people can take the lead and get away from the poverty line. As chairman of our board, I want to see our board of directors help communities to see that dependency is one of the biggest diseases in Australia. This is not only amongst Indigenous people but all Australians. We need to give Indigenous people, particularly in our own case in Arnhem Land, the opportunity and the challenge of employment rather than seeing them live below the poverty line. Handouts are not going to help our people. We need to see Aboriginal people take the challenge.

One of the biggest concerns that Arnhem Land has now is unemployment. People think that government has got this large tree to tap into. On the Commonwealth coat of arms you have the

emu and the kangaroo. They think, 'I must be a special man. Somebody may be thinking about me. It comes into an office where I can go and get it, so I don't have to work.' This is where the government needs to start to think very seriously that unemployment is a disease, it is killing our people. People are dying—in 10 or 20 years time a lot of the people are going to die. It is creating a health problem: they sit and do nothing. I think this is where we need to start to think about it seriously. Dependency is killing people. If we want Aboriginal people to be educated, give them opportunity. There must be an open door where they can find jobs rather than sitting and doing nothing. ALPA has 200 employees. There is a challenge and we always need to see that our people get something to do.

CHAIR—That is a wonderful statement. Can I say personally that I really appreciate it. I think it needs to be said again and again. You have shown great leadership and I thank you for being with us today. Alastair, thank you very much too.

[12.19 pm]

KELLY, Mr Anthony Gerard (Joel), Participation Manager, AFL Northern Territory Ltd

TOY, Mr Brenton, Project and Training Development Officer, AFL Northern Territory Ltd; AFL SportsReady

CHAIR—I welcome witnesses from AFL Northern Territory. The committee does not require you to give evidence under oath, but I need to advise you that the hearings are legal proceedings of the parliament. You may like to make an opening statement. It is not the first time you have been before this committee; certainly your representatives have been here before. You might take a few minutes to tell us what your aim is and how you are going.

Mr Kelly—Thank you for the opportunity to present. It is my and Brenton's first time before a committee like this, so it is a great experience for us. We would like to make a bit of an opening statement and, at the end of that, back that up with some form of recommendation for the benefit of you guys.

CHAIR—Thank you.

Mr Kelly—How do we work together to provide improved opportunities for Indigenous employment across Australia? When we ask ourselves this question, we must first consider the need to do things with Aboriginal people, not to or for Aboriginal people. Words such as 'ownership' and 'empowerment' will only resonate truly if they are backed by policy that is inclusive of Indigenous Australians from the outset. With this transparent philosophy in mind, Brenton and I would like to take the opportunity to outline some best practice solutions, with particular reference to AFL Kickstart and AFL SportsReady initiatives which have been implemented across Australia.

Firstly, though, we would like to demonstrate an area of need which is particularly relevant to our industry, Australian Rules football. It is no secret that the AFL game is almost a religion to Indigenous Australians and that the health of community life often hinges on the health of the football environment. The AFL recognises the cultural importance of footy to the Indigenous community and will continue to invest heavily in this area to ensure that opportunity is readily available, with the current commitment standing at \$3 million per annum.

AFL Kickstart is one of the AFL's key strategies for increasing participation, developing leadership skills and providing lifestyle opportunities for Indigenous Australians, using the popularity of the game as a vehicle. Since 2002 in the Northern Territory, the AFL Kickstart initiative has provided the following: participation opportunities for over 40 Indigenous communities; in-school clinics for over 10,000 Indigenous boys and girls; regular physical activity for over 5,000 Indigenous boys and girls through community driven AFL Auskick centres; and, in conjunction with NT government agencies such as health, police, education and the Office of Sport and Recreation, it has delivered countless positive lifestyle messages to Indigenous youth engaged in the program.

In the NT, the effectiveness of AFL Kickstart is dependent on the support AFLNT receive at remote community level. We are not about flag waving and have shown a commitment to providing ongoing support to Indigenous communities who show an active and tangible interest. Having said this, we also need each community to take ownership and drive the program from within. One of our key partners in providing this drive is the community based sport and recreation officer, who often takes on the role as the AFL Kickstart coordinator, making sure that the program continues to provide widespread benefits once AFLNT have left the community.

Unfortunately, if we consider the situation which currently exists in the sport and recreation industry, we will discover that the average time in the job of a community based sport and recreation officer in the Northern Territory varies between 12 and 18 months. Such a staggeringly high turnover impacts negatively on continuity and therefore program sustainability. One of the issues as we see it, I suppose, is that community councils will regularly employ an outsider in the position—often a non-Indigenous person with short-term personal goals. This bandaid approach, whilst providing some temporary relief, is ultimately counterproductive, as the incumbent must firstly win the trust and respect of the local people before having any hope of producing sustainable outcomes.

Unfortunately, the cycle perpetuates itself with a high percentage of sport and recreation officers going through the process of arrival in a foreign place and a struggle to win trust and community support, followed by commonplace burnout and—usually before too long—departure, leaving the community back at square one. It is the belief of AFL Northern Territory that, if Indigenous people from the local community were given the opportunity to grow into these types of position, then the problem of turnover would be decreased dramatically. This in turn would provide for a healthier community in the long term.

Another critical area is the dwindling support that is available for our state league clubs. AFL in the Northern Territory has the highest per capita participation rate in Australia, with 19.6 per cent of males aged five to 39 years playing the game in 2004. This interest level is supported by a strong spectator base attending both Northern Territory Football League and AFL games in Darwin. It is estimated that 70 per cent of the playing base is Indigenous, but the club administration still remains largely a non-Indigenous domain. Given the obvious attraction of the AFL game for Indigenous Australians, our challenge is to build community capacity while providing opportunity for Indigenous employment and engaging remote area Indigenous community organisations and mainstream sporting bodies such as state league clubs as we seek to provide solutions. How then do we work with Aboriginal people to facilitate both streams of this process?

The model for training and employment of Indigenous men and women that AFL Northern Territory is aiming to implement involves three critical steps, with the final stage of the process the most difficult. Step 1 is for school based part-time traineeships to be offered to Indigenous boarding students in year 11 with the opportunity to taste the workplace environment one day per week over two years whilst completing their schooling and simultaneously developing broad based skills through a community services qualification at a certificate II level. In 2005 AFLNT is the host employer for four Indigenous males under this scheme of a total of seven Northern Territory trainees, all of whom are Indigenous.

Step 2 is that Indigenous school leavers be provided with the opportunity to undertake a full-time AFL SportsReady traineeship over two years, progressing from a certificate III through to a certificate IV sports specific qualification. As per the model adopted by AFL Cairns, as one trainee enters their second year, another trainee is employed, providing a rolling intake and a peer group mentor for new trainees. The additional perk of this system is that the second year trainee can provide a real benefit back to the organisation, further boosting industry confidence in providing opportunities for young Indigenous men and women. In 2006 AFLNT aim to provide up to four Indigenous school leavers with the opportunity to become full-time trainees. It is possible—and hopefully likely—that our current part-time trainees may become next year's full-time intake.

Step 3 is that after two years the graduating trainee will be encouraged to pursue further study or full-time employment, either returning to their homeland or remaining in mainstream to pursue their dream. The final step in this process presents the greatest challenge, with financial and organisational barriers often bringing the process down. Ideally, we would like to see government policy which provides incentive for community based organisations such as the community councils, state league football clubs, the peak body and affiliated leagues to employ suitably qualified Indigenous men and women who have completed a practical traineeship under this scheme.

A case study for your consideration is the AFL SportsReady Shane Cable project. This project, which is undertaken in Western Australia, is a Department of Workplace Relations sponsored program which has already provided significant outcomes in just three years. Of the 103 trainees currently in place 50 are Indigenous. The host employer's costs are covered by DEWR and AFL SportsReady are funded to pay the trainees for 832 hours each. This type of incentive has allowed 15 positions to be funded through the AFL industry. Nine trainees are placed at Western Australian football clubs, two trainees are at the peak body—the Western Australian Football Commission—one each at AFL clubs the West Coast Eagles and the Fremantle Dockers, and one each at the Gerard Neesham Football academies, which are Clontarf College and Balga Senior High School.

I would like to close with a bit of a summary. It is all well and good to focus purely on training opportunities for young Indigenous men and women but obviously we will be setting ourselves up the failure if we do not also provide real employment prospects at the end of the rainbow. We do not want to provide training just for training's sake.

In closing, the recommendation of AFL Northern Territory is for the federal government to consider, adopt and support a combination of the AFL Cairns model for training with the Shane Cable model for employment to provide an attractive training and employment package for organisations such as Indigenous community councils, state league clubs, the peak body and affiliated leagues. With a strong level of confidence engendered by high-level government support and the knowledge that the AFL, for example, is an industry with a high appeal for young Indigenous Australians, we can indeed provide not only the right training and pathways but also a real job with real outcomes at the end of the day.

CHAIR—Thank you very much. That is comprehensive and we are appreciative of it. I just have a couple of questions. In your opinion, why is football culturally important?

Mr Kelly—I will give you my perspective but I think that it is just as important for Brenton to give his as an Indigenous Australian.

CHAIR—Yes.

Mr Kelly—Having worked in the industry for close to ten years now, I have seen the impact that football has when you go to a community. It opens up so many doors. I think it has become a really important part of Indigenous culture, but that is from a white Australian's viewpoint.

Mr Toy—If you look at the meaning of culture to a lot of Aboriginal people, it is more about who they are. When you start getting a bit of pride in your football side and your community, that becomes part of who you are and therefore a part of your culture. To a further extent, a lot of the footy sides in community competitions are made up of skin groups within that culture, if you are familiar with that sort of stuff. That probably just strengthens their culture a little bit more by having the different skin groups making up different sides. They are really strengthening their own culture by getting into football. Like I said, it builds community spirit. If that makes you feel good about who you are then it is always going to be a positive.

CHAIR—Thank you very much. That is very practical. The second question is a lot tougher but I invite you to have a go at it. With the self-esteem and the connection, it is a positive thing to do. Not everybody can be an AFL footballer but most of us can enjoy that stage in our lives and the game of Australian football if that is where we come from and that is where we want to be. How do we transfer some of that into the rest of the lives given to us? How do we connect that? You have some opportunities of employment but it is much wider than that. It seems to me that it is just as important to transfer self-esteem to everything else. I just wanted to raise that. It is a much tougher question. We know the positive impact of this wonderful sport on Aboriginal people but how do we connect it more broadly? Do you have any thoughts on that? As I said, I do not expect anyone to have many answers but I just wanted to have a go.

Mr Toy—The AFL Kickstart program is not about the best footballers or anything like that. We are aiming to get 15-, 16-, 17- and 18-year-old people who are not playing football at the moment or people who are on their way out from playing football, as well as getting female involvement, to come down and coach the children and give something back to their community. When I worked as a Kickstart officer going out bush, I asked a lot of the kids when they were coaching, 'Don't you wish you had somebody organising footy for you when you were younger?' and they just said, 'Yeah'. So it was something that they took on board. While you are coaching you are developing leadership skills. You are learning how to communicate with people and you work with other people. They are the things that can be transferred into the wider scope of life.

CHAIR—That is very valuable. Thank you.

Ms ANNETTE ELLIS—I have always been very impressed by the fact that it is very difficult to walk into a remote community and not see a poster of an Indigenous football hero somewhere, be it faded and old or shiny and new. It seems to be almost part of the construction of the buildings, frankly. On your web site I noticed that there is something about the Thiess-supported road show. What is that aiming to do? I take it that it has begun?

Mr Kelly—We are only into our second year of what will hopefully be a long-term commitment from Thiess. They have been fantastic in that they are not concerned about branding or anything like that out there. They are very concerned about being a good community citizen. The road show was predominant last year in that we used their financial support to take ourselves out far and wide offering AFL Kickstart to communities that wanted it. It was very much about a consultation process.

Guys like Brenton, who was doing it at the time, were getting an understanding of how much support there was for what we were offering. If it was there then we were happy to deliver. If it was not, we certainly were not going to impose ourselves on that. With regard to Thiess's support, we are hopeful of signing off on a three-year agreement in the very near future, which will extend way beyond those sorts of things and will give us real scope to create initiatives that will broaden what it is. We already have very strong working relationships with the health system, the police, the education system, and sport and recreation, which allows us to produce a program that is not just about footy. It is much broader than that, and I probably cannot emphasise that enough, which is why we are continually knocking on the doors of people like DCITA and so forth so that our funding is continued.

Ms ANNETTE ELLIS—Last week in Canberra at a NAIDOC lunch, I had the pleasure of hearing a young Indigenous man, who is a successful actor, talk about the influences in his life and how those influences helped him to make decisions about which pathways he would go down. He said again and again that, because he was fortunate enough as a child to be in an environment where he was fed positive messages all of the time from his family in particular, every time one of those crossroads came to him he had no problem in taking the right road.

I tell you that story because the Adam Goodes and the Michael O'Loughlins of the world—I am not showing who I support—can do more than purely teach kids how to kick a footy. They are almost godlike to some of these youngsters. Have you had an experience yet—and tell us if it has already been done—of people like that going around and not only kicking a footy but delivering these positive messages about choices and saying, 'You are a valuable human being and you can do more with your life than maybe other people are telling you'? Do you have a view about that? It follows on from what Barry was saying about this broader view that these people are so well placed, if we can harness them, to go out and give that message. Am I on the right track?

Mr Kelly—Absolutely. Brent, you might want to talk about some of your experiences with some of the AFL players.

Mr Toy—Part of the AFL Kickstart program was about rewarding communities. At the end of a community running two six-week blocks of Auskick, which is the kids' footy program, we really wanted to reward those communities who had put effort into it. Part of that reward was organising AFL players to come out. It was made quite clear to the players that it was not just about playing AFL, how much money you earned or anything like that, which are the general questions that you get from kids; it was more along the lines of lifestyle choices, getting an education, employment after football and recognising that they are a very small percentage of the AFL population and there are thousands of other people out there who would have liked to have played AFL at the highest level but could not. Now they have to get on with day-to-day business like getting a job, going to work, going to school and all that sort of stuff.

Players have been all over the place, especially with the Western Bulldogs coming up here for the last couple of years and a Carlton camp which was down in Alice Springs. I went with Michael Long and a few of the players out to Papunya, somewhere that had not had a lot of exposure to high-profile players. Players have been to Oenpelli. I took a group of Collingwood players out to Port Keats, and the whole community just lifted. It was not just the kids who loved the footballers; the adults had come out. It is all good and well to work on the kids now, but if parents do not see the relevance of education and employment they are not going to encourage their kids to go to school all the time. If we can encourage the parents to become more aware about the benefits of getting an education or a job, they are more likely to encourage their children to go to school rather than let them stay at home.

Ms ANNETTE ELLIS—How are those trips funded?

Mr Kelly—Initially we were subsidising those trips. Collingwood, for example, was a different story in that they made their own way up here. It was at their initiative and we obviously totally supported that. The Western Bulldogs camps are different again in that they are totally funded by the AFL. There was one in February; that has happened the last two years. The Carlton one was funded by the AFL as well. But if, for instance, the Western Bulldogs chose to come up here in addition to that then it would be negotiated whether or not we subsidised that or got some community input as well. Whilst we could just provide these free of charge all the time, we do feel that it is equally important to get some sort of ownership back from the community so that they place a value on it; otherwise it becomes a dangerous situation.

I will add, from an AFL perspective, that the AFL Players Association place a strong emphasis on training their players, particularly the Indigenous ones. They hold an annual camp which is all about training the players who are currently in the system about what they can do now to provide for the time after football. That includes messages that they can pass on to the kids coming through the system. There is a strong emphasis on that from the word go; it is not just about the footy side of things.

Mr ROBB—I understood that the Greesham school—is that how you pronounce it?—in Western Australia—

Mr Kelly—Clontarf?

Mr ROBB—Clontarf, yes. I understood that it was a key objective of the AFL to try and roll that model out right across the north.

Mr Kelly—Yes. It is fairly early days at this stage. They have just opened up another one in the last 12 months in Geraldton. It was very much driven by Gerard Neesham.

Mr ROBB—Neesham, sorry, not Greesham.

Mr Kelly—I am not aware of any wholesale rollout of it other than that the AFL have recently applied to DCITA with a national submission to roll a Clontarf style academy out in Sydney, so they are certainly looking at that massive market there. We would really encourage it. It would be a great thing for Darwin to have something like that.

Mr ROBB—Have you looked at that closely here?

Mr Kelly—We have had a bit of a discussion with Gerard but we have not gone too far down that path at this stage. But that is something, and it was noted in our presentation today that that type of model would suit the Northern Territory particularly well, I think.

Mr Toy—There are smaller versions of it with St John's College. They have got a footy focus as part of their curriculum. It is an actual class based around football.

We have spoken to the Tiwi Islands local government and the Tiwi Land Council about a new school that they have proposed for the Tiwi Islands for secondary students. It will probably be less like Clontarf because they wanted Aussie Rules to be a part of that school and that learning process.

Mr ROBB—With all the local teams, you were saying that there are a large number of Aboriginal players but no Indigenous people in the administration. Is there some serious attempt to get some commitment out of the clubs to try and introduce Indigenous people into them?

Mr Kelly—It depends on the different demographic of each particular club. Some have a very strong Indigenous background.

Mr SNOWDON—Some are family concerns.

Mr Kelly—That is true. The reason I put that in is that we need to start with the young kids coming through the system and build from there. It is probably a difficult thing to say but some of the guys that have been around for 20 or 30 years have probably missed the boat and have a tunnel vision mind-set, whereas these kids coming through the system—the 17- and 18-year-olds—are the future of these clubs.

Mrs VALE—Thank you very much to Brenton for coming in. Is the structure such that you go to different communities to do the training and the coaching, or do they all come to you?

Mr Kelly—No, we have done it both ways.

Mrs VALE—Have you?

Mr Kelly—Yes. Initially, when we first started we had workshops in each of the centres—Darwin, Alice Springs, Katherine, Nhulunbuy et cetera—and everybody came in. We found that quite often people could not get there, so now we have taken a different approach and we have priority communities across the Territory. We deliver within the community. The benefit of that is that we are more likely to get police, health, education, sport and rec, local elders, and young Indigenous men and women all in the one spot.

Mrs VALE—The whole community for a holistic focus.

Mr Kelly—We spend three or four days—maybe sometimes even five days—on our first trips there so that we are guaranteed to capture the whole audience, given the nature of what happens. People have meetings and all that sort of stuff.

Mrs VALE—That was my next question: how long do you usually stay? So it is about a week.

Mr Kelly—Yes, on the first visit and then it tapers down a little as we move on, but the idea is to try and get as many people involved as we possibly can.

Mrs VALE—Do you have return visits already on a planning schedule?

Mr Kelly—Yes.

Mrs VALE—Are there any individual characteristics in young people that you can identify up front that will mean that they are a success?

Mr Kelly—Within a community?

Mrs VALE—Within the young people that come as part of your program. Is there anything that you look for specifically in young people so that they get the best value out of the program?

Mr Kelly—I might get Brenton to answer this one because he works very closely with them.

Mrs VALE—Is there any way that the young people could also be prepared to focus on those characteristics that would maximise their opportunity for success down the track? That is what I am getting at.

Mr Toy—When you go out, you almost take what you can get. There are two sides of the coin: kids with really good football ability and other kids that might lack the football ability but can quite easily do the administration side of things and have no worries in getting up the front and coaching groups of kids. What I look for are kids that stand out personality wise who are not afraid to speak out in their community. Shame is a big thing. A lot of kids do not really want to say anything because they are too worried about what everybody else will think about them. The ones that do work, while they are aware of what people say about them, are probably not that worried about it.

Mrs VALE—It is like a leadership—

Mr Toy—Yes, leadership qualities are the obvious thing that we look for when we go out. We work on developing those things—and I did it at Maningrida with a group of 10 kids out there. We started off with really simple things for them to do, like organising a class for five- and six-year-olds. It was not a very threatening environment; it was something nice and easy for them to do to work themselves into it. Then we worked up the grades and we worked through it. Basically, at the end of my time out there, the guys had organised a six-week program for the whole of the primary school. They came out during class time and ran the PE sessions.

Mrs VALE—These are the kids themselves?

Mr Toy—The 15- and 16-year-olds, yes. Literacy and numeracy obviously are things that need to be worked on, but the idea is to get all of their ideas out. The challenge is to get all of their ideas. I really hate going to a community and hearing people say, ‘You should be doing

this,' or, 'Maybe you can do this or you can do that.' I prefer to let the 16- or 17-year-olds say, 'Look, this is what we want to do.' If it looks like they might make a mistake, do not chop them off. The only way you are going to learn something is if you do make mistakes. As I was saying about showing leadership, they are the guys who are not afraid to have a go and make mistakes. That is the only way you are going to learn.

CHAIR—Thank you; I think that just about wraps it up. I will be totally out of order here, but can I suggest that your—

Mr SNOWDON—Notice his surname.

CHAIR—Yes, there is an indirect connection to what I am going to say: on the sport and rec officer issue, I commend you to the newly elected government member, Mr Natt, who I am sure you would know very well. Make sure you show my name alongside it too, and wish him well. I think he would be a good man to talk to, wouldn't he? That is a light-hearted conclusion—

Mr SNOWDON—Denis is down the back—

CHAIR—But regards to Mr Chris Natt. We really appreciated your contribution. The comprehension of what you did was unexpected from my perspective. You have put a tremendous amount of work into it, so we are very grateful for that. All the best; you deserve it. Thank you.

[12.48 pm]

COSTELLO, Mr Kelvin John, Coordinator, Larrakia Nation Aboriginal Corporation; Chairperson, Larrakia Development Corporation

CONSTANTINE, Mr Gregory John, Chief Executive Officer, Larrakia Development Corporation

CHAIR—Welcome. As you know, this committee does not require evidence under oath, but it is a legal process of the parliament and we ask that you recall that. I invite you to make a brief opening statement, if that is your wish, or we can go straight into the discussion. You might like to start off with a few words.

Mr Costello—I understand you have also received some background information about the Larrakia Nation Aboriginal Corporation?

CHAIR—Yes, indeed.

Mr Costello—On behalf of the governing committee of the Larrakia Nation, we look forward to providing an on-site tour of our Karawa Park facility. I think, Mr Chair, you were out there in 2003; Mr Snowdon was certainly there.

CHAIR—Yes.

Mr Costello—Then we will be going to the Darla subdivision out at the suburb of Rosebery in the City of Palmerston to provide an overview of the residential subdivision that the Larrakia Development Corporation has been centrally involved in.

But firstly, just to summarise the information you have received, Larrakia Nation represents the Larrakia people. Although our membership base is only 300 people, there are generally around 1,700 Larrakia who reside in the greater Darwin-Palmerston area. The Larrakia also have the longest-running land rights claim in the history of the federal land rights act. The claim was lodged in 1976. The then land commissioner, Justice Gray, made a determination in December 2000. His recommendation to the minister was that he believed a subset of the Larrakia called the Tommy Lyons group—a group which at that time numbered seven people—met the four key criteria in the land rights act. The determination, however, would also benefit the broader 1,700 or 1,800 Larrakia, as well as the people who live at the Belyuen Community and the existing municipal land trust. Obviously, since then—that was five years ago now—there has been no real movement in terms of the detriment and planning issues that were flagged at that time before the federal minister had an opportunity to consider signing off on the determination.

Since then, certainly the Larrakia have made some major progress with the CLP government and current Labor government in terms of current native title negotiations. Greg Constantine is the CEO of the Larrakia Development Corporation, which is our commercial arm. Greg will talk a bit about the commercial aspects of the Larrakia. Larrakia Nation itself is a not-for-profit, public, benevolent, deductible gift recipient status organisation. Our objectives are social and

cultural education and training opportunities for Larrakia and the broader Indigenous community that resides in the greater Palmerston-Darwin area. I will give you an opportunity to view some of those activities back at Karawa Park this afternoon. But I will ask Greg to talk now about the Larrakia Development Corporation.

Mr Constantine—Larrakia Development Corporation came into being in 2001. As a result of negotiations with the government of the day, Larrakia forewent their native title claim over Rosebery, Bellamack and Archer out of Palmerston, which enabled the development of additional property for residential use out there. One of the benefits of that was that the Larrakia were given first crack at buying 50 hectares of land for \$1.2 million, which the Larrakia did buy. It was not given to them. Since then they have paid that money back and developed it. Of the 390 lots, they have already done stages 1, 2 and 3. We are in the process of doing stage 4 now. I am pleased to say on behalf of the board that we owe no-one anything. From where we came from, that is a really big statement. I make sure that everyone knows that.

CHAIR—Congratulations!

Mr Constantine—I had dark hair at that stage! The benefit of that is that we have been employing Larrakia through a number of different subcontractors and our civil contractors. We currently have eight Larrakia and other Indigenous people employed on-site. As a result of that, we have created over 70 other jobs in other industries through our direct contracts. Through Wickham Point we struck a deal with Bechtel and Konica Philips. They currently have 101 or 102 Larrakia and other non-Larrakia working on-site out there.

The benefit I have that Kelvin does not have is that I only have to look after Larrakia. They come first and second, and daylight third. By the way, Kelvin is my chairman. Until my board tells me otherwise, I look after the Larrakia. If other Indigenous people want a hand, I go to the board and they will instruct me whether to do it one way or the other. As a result, we have been fortunate in securing, through the Larrakia forgoing native title with regard to the railway, a block of land at Bullocky Point, which we hope at one stage will become the Larrakia cultural centre. That will be a centre of excellence. It will not be a white elephant. It will not be like other cultural centres. This one will make money, otherwise we will not do it. That is the difference and the demarcation line between what Kelvin does with Larrakia Nation and the LDC. We are purely commercial. If there is no money in it then we are not touching it. It makes my life very easy.

Another part that the Larrakia also forwent with the native title claim was on the port. They were granted a parcel of land down at East Arm which we are now in the process of developing. The government have again been very helpful to us with their land development corporation, another LDC, by not impinging on what we are trying to do down there. So we are getting on well.

The other part was that we secured 10 acres of land out near the Palmerston sewage ponds, which we are now turning into a turf farm. The first paddock, 2,000 square metres, went down on Friday. Hopefully within the next two months we will have grey water on there, which will save us a lot of money plus make use of the grey water that is down there. So we will be the first ones doing it.

The main principle that the board have given me as well as developing these commercial assets is to find ways that gain employment. We are not interested in training. Training comes once you are employed. Kelvin has about 50 or 60 of the most trained unemployed blackfellas you will ever find out at Karawa Park. We get them jobs then we train them. Therefore trainers do not like coming to my office.

The other side is that we are trying to get the government, through the Procurement Review Board, to look at reinstating things like the road-working gangs out in the communities. At the moment they have fly-in fly-out workers, because it has all been outsourced. Yes, you save money—that is good—but it is creating nothing in the communities. As a result, Larrakia are finding those people now coming into town. They have no skills—they have nothing—which is creating other problems.

One of the things the board wrote to the government about just before the election was to encourage greater educational skills whilst people are in prison. Again, we are finding the Larrakia are getting the backlash of those people coming out of prison with no skills. They have no education—no literacy and numeracy. It makes it hard to find jobs for them. We are doing a lot of things besides that, which I am very proud of, by the way, because stage 4 is now fully sold. And if you are looking for a really good block of land, you've got to be quick! Among other things we have done is develop a memorandum of understanding within contracts we have set down with the wharf development people—the TCA, the NLC, the LNAC and the LDC—as far as employment and training are concerned.

Mr SNOWDON—Can you just explain the wharf development for people.

Mr Constantine—The wharf development is the convention centre which is going to be built on the wharf. As part of that development, with the Toga Group there is also a hotel and other building enterprises going on down there. We find that if we can get in quickly we can have a say in what goes into those contracts. What we are trying to do now is put a Larrakia employment component into those contracts. The difference there—and it can be applied no matter where you go, if it is down at Port Keats or wherever in Arnhem Land—is that they can target it so that those people get first crack at it. At the moment they just say 'Indigenous'. It is like the railway. They had Indigenous people there from Queensland, New South Wales and South Australia, and bugger-all from the NT. So we have taken a different tack but a more aggressive tack in looking after Larrakia. Hopefully that will flow down so the other groups will get their crack at it.

As I said, all the contracts out there at Darla, both housing and all the others, have a clause in them for Larrakia employment. There is the wharf, again with an MOU including the TCA and the NLC. There is also the suburb of Lyons, which is a joint venture with the DHA and the Canberra investment group, where they are now putting a Larrakia employment and training clause into all contracts. They have also recognised Larrakia Development Corporation as a preferred contractor. We are not the only one. If we win it, we win it on the fact that we have the right price and we can do the job. If we cannot do it, we do not win the deal.

With the soccer development out near the airport, the NT government have been very good there. They have involved Larrakia not from day one but from day two. We are getting involved with the maintenance and the development of the turf, for obvious reasons, because we want to

push our product. We have developed JVs with the bigger landscape developers in town, Gimbles. We have strategic alliances with businesses aimed at employment and developing the Larrakia. Opportunities have come out of that; for example, we have had the Holiday Inn come and talk to us.

You will see the arts centre at Karawa Park. Kelvin has developed a good centre, but they need assistance in getting a skilled art coordinator to get the thing moving. The art is good, people are keen, but you need a specialist person there. All the bureaucrats say: 'Yes, yes, we know exactly what you want. We will look at it for you.' The work is there, you can see what is going on, and everyone says, 'Yes, we support you, it is a good idea, you are doing a good job,' but then they walk away. That is the problem. Kelvin is left carrying the bag. The Holiday Inn have offered us really good deal to open the shop there, but we cannot take it up because we have not got the skills. There is only him and me. As you can see, we have other priorities as well. There is a chance to make money on it; that is the only reason I raised it. If there were no money in it, I would not have raised it.

All that that Larrakia are asking for is a chance. I think we have proven that we can do it when we are given a chance. We are not after donations from an LDC perspective, but support, certainly for what Kelvin is trying to do, would be very much appreciated.

CHAIR—Thank you. That is very comprehensive. We are going to have a significant part of the day with you, and we thank you for that. I think it is pretty self-apparent what is happening there. There is a real hard-nosed approach in this. You have a very clear definition of what you are on about.

Mr Constantine—I get direction from my board to make it very easy. By the way, my board is made up eight people, five of whom are Larrakia people.

CHAIR—My curiosity is: how do you get to that position? There is a real discipline in your presentation. Both Kelvin and Greg, would you like to offer a couple of suggestions about how you got to this? You have come on a journey; you have a wonderful history. What are two or three of the key things that brought that discipline? There is a real discipline and focus in what you are doing. Do you want to have a go at that?

Mr Costello—The Larrakia Nation was incorporated in 1998. Prior to that we were incorporated under the Larrakia Association. We have had the longest-running land rights claim under the federal land rights act. We are a very patient people. Comparatively, we have seven lawyers, two registrars and trainee doctors. If things are going to work and develop a model that could potentially be duplicated and then changed or altered in more remote or regional areas, it will work here in Darwin. That is what has happened over the last 25 to 30 years. There are people who work out at Karawa Park who are about my age—in their late 30s—who want to see the opportunity to develop things.

The things that we have are our assets: our land, our culture and our knowledge. They are playing a big part in places like Darwin, Katherine and Alice Springs as well. As an indication of that, all Aboriginal organisations in the greater Darwin area reserve seats for Larrakia people on their governing committees or boards. That does not happen in Alice Springs. Larapinta and Jawoyn have already been able to successfully negotiate a native title claim. We are still waiting

for ours, which will between now and November this year. Irrespective of the fact that they have already reached negotiation, we will always be in a better position than any other Aboriginal group in the Northern Territory, if not Australia, because of our traditional countries here in Darwin, Palmerston and across the harbour.

But there are key components of Indigenous people who are starting to realise and rationalise the benefits of working together and looking towards offering something for their children. In the past we have not done that. We have had previous CLP governments kick us around for 25 years. We have had other Indigenous groups not recognise us because we did not own any land. We will have the third biggest parcel of land under the Northern Land Council's jurisdiction, once that 600 square kilometres of land, eight kilometres away from the CBD of Darwin, is handed back to the Larrakia—strategically, eight kilometres away, but it took 25 years and \$25 million in legal cases against us.

Mr ROBB—You have really had nothing. For 25 years, you have been working—

Mr Costello—Waiting.

Mr ROBB—as a community. The starting point was pretty much here. What about the \$7 million debt? I have noticed the repayment of over \$7 million in debt. Where did that debt come from?

Mr Constantine—That was from the sale of the land. We had to borrow the \$1.2 million to buy the land. Then we had to develop the sites, the lots, and then sell them. It was only when we got into stage 3 that we went from red to black, and we are now financing stage 4 ourselves. As Kelvin said, one of the things we have started is our own maintenance business, which is called Saltwater Constructions. It is headed up by a Larrakia man; he will employ Larrakia people. We are going out now to get the work, before we actually start. Instead of just spending a load of money to make this thing look nice and pretty and then go looking for the jobs, we are doing it the smart way.

CHAIR—You accepted the competitive structure. You have a preferred approach, but you accept the competitive process within that.

Mr Constantine—Correct.

CHAIR—That goes back to the discipline you have put on yourselves. I only know a little bit of the story. Back to you Andrew.

Mr ROBB—Obviously there is good commercial practice being applied. What got it started, other than experience, resolve and an intent to have a good commercial operation? You got preference on a block. You got the option to buy it ahead of others.

Mr Constantine—We were given an option of three blocks. That was all.

Mr ROBB—Was that it?

Mr Constantine—The Larrakia had to go out and pick which block they wanted and all the rest of it. Then they said, ‘That is going to cost you \$1.2 million.’

Mr ROBB—I am just trying to see what can be transposed to other communities in other situations. What is the essence of it here? Is it the experience you have gained? Is it the discipline to impose a strictly commercial approach?

Mr Costello—It is a mix of things. This model would not work in other places because of some of the parameters, as I identified. Compare us to Alice Springs. To my understanding, not one of the recognised longstanding Aboriginal organisations reserves positions for traditional owner groups like here in Darwin. The North Australian Aboriginal Legal Aid Service, the Darwin Regional CDEP and the Danila Dilba Regional Medical Services all reserve positions. I make that comparison because that is the recognition that we have. We do not share this country with any other Aboriginal group; this is purely Larrakia country. Whereas in Central Australia, they have won their native title, but it will take another 200 years to double the population of Alice Springs—I think it is around 25,000 people. Here in Darwin the population will probably double within the next 30 to 40 years, subject to large-scale economic projects coming online.

I guess there has been benefit in us being able to align all of the things that we needed to do—and you will see one of the strategies when you come out to Karawa Park. The people who work at Karawa Park are representative of the eight family groups. The aunties, uncles, sisters and brothers are not going to throw rocks at us if we are employing their family. There are a number of little strategies that were identified at the start by the governing committee and other senior staff. We have our problems, our ups and downs, but we have strategies to address issues and move us forward, instead of continuing to break us apart.

Mr SNOWDON—I would make the observation that, excluding us, the three white fellas here who have lived in the Top End for many years will, I am sure, make the observation that things have changed dramatically (1) because of the politics of land rights and native title and (2) because of individuals like Kelvin. There has to be a catalyst to this. The land base obviously is an asset. Whether or not it is going to cost you \$1.2 million, there is an asset there on offer and you can leverage off that to do a lot of work. But you cannot do that unless you have the first part of it right—that is, to have a coherent organisation under strong leadership. I have known Kelvin for many years, and I can make that observation. When Kelvin was at school, the Larrakia Association consisted of a small group of people who lived at Kulaluk and Bagot and it was not recognised by any organisations within this community or the town.

To go back to the point about 25 years, the reason that we waited 25 years is that—without wanting to go into the politics of this—a previous government arbitrarily extended the town boundary of Darwin to include the Cox Peninsula to exclude the right for people to claim land over it. That is the simple reason. The \$25 million court costs came about from a deliberate action by a government to prevent people from claiming land—very simple—and they are still awaiting the outcome.

The bottom line is that the intrinsic value and strength of the community has been there all along, but what has now been recognised is that as a group they can operate coherently whereas previously they may have had different points of view being expressed in arbitrarily different ways. Now, under a coherent leadership, with a very strong, highly motivated team of managers,

they are in a position where they can exploit the positions they have now arrived at because of the asset base they have been able to acquire. It is a lesson for everyone—a very simple lesson.

Mr Constantine—We have copies of the three newsletters that we have sent out. To answer one of Andrew's questions, one of the things that we have done differently to others is that we have communicated with the Larrakia people and we have kept them informed, as you will see from the information that is included in the newsletters.

CHAIR—We are more than happy to receive those.

Mr Constantine—There are maps included, so you can see where Darla is and how great a subdivision it is.

CHAIR—Thank you very much for your presentation today.

Resolved (on motion by **Mr Snowdon**, seconded by **Mrs Vale**):

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

Committee adjourned at 1.12 pm