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**HOUSE OF
REPRESENTATIVES**

STANDING COMMITTEE ON ABORIGINAL AND TORRES
STRAIT ISLANDER AFFAIRS

Reference: Capacity building in Indigenous communities

MONDAY, 7 JULY 2003

CAIRNS

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HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON ABORIGINAL AND TORRES STRAIT ISLANDER AFFAIRS
Monday, 7 July 2003

Members: Mr Wakelin (*Chair*), Mr Cobb, Mrs Draper, Ms Gillard, Mr Haase, Ms Hoare, Dr Lawrence, Mr Lloyd, Mr Snowdon and Mr Tollner

Members in attendance: Mr Cobb, Ms Hoare, Mr Lloyd, Mr Snowdon, Mr Tollner and Mr Wakelin

Terms of reference for the inquiry:

To inquire into and report on:

Strategies to assist Aboriginals and Torres Strait Islanders better manage the delivery of services within their communities. In particular, the committee will consider building the capacities of:

- (a) community members to better support families, community organisations and representative councils so as to deliver the best outcomes for individuals, families and communities;
- (b) Indigenous organisations to better deliver and influence the delivery of services in the most effective, efficient and accountable way; and
- (c) government agencies so that policy direction and management structures will improve individual and community outcomes for Indigenous people.

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Committee met at 9.47 a.m.**WINER, Mr Michael Paul, Chief Executive Officer, Indigenous Enterprise Partnerships**

CHAIR—I declare open the public hearing of the Standing Committee on Aboriginal and Torres Strait Islander Affairs inquiry into capacity building in Indigenous communities. We flew over this way, over the Torres Strait, before Christmas and we have visited a number of other destinations around Australia. I had the privilege of meeting Michael Winer earlier in the year so it is a particular pleasure to welcome him today, on behalf of the Balkanu and Indigenous Enterprise Partnerships. Welcome, Michael. I invite you to make a short opening statement.

Mr Winer—Thank you for coming up here to have a look at what we are doing on Cape York. Indigenous Enterprise Partnerships is a coalition of corporate philanthropic organisations and a broad range of smaller medium businesses and specialists. Our main focus is on creating a real economy in Aboriginal communities. Our underlying principles are based on Noel Pearson's philosophy on our right to take responsibility, breaking welfare dependency in Aboriginal communities and tackling the resultant alcohol epidemic which is rupturing many of the communities in the region. Basically, Indigenous Enterprise Partnerships consists of a board of directors. Would you like me to go through that?

CHAIR—It would be useful to do that. It is in our brief but you might be able to add a little to it.

Mr Winer—Basically, Indigenous Enterprise Partnerships consists of the board of directors and me as the CEO. We are a very tight, efficient organisation. Although it is hard to estimate, we believe that we are delivering in excess of \$15 million of corporate and philanthropic support into the Cape York region each year. We consider ourselves to be a national organisation which is piloting a range of innovative programs in Cape York and we are currently looking at how this may be replicable or how one would influence this sort of change in other regions.

On our board is Ann Sherry, who is now CEO of the Bank of New Zealand. She was head of people and performance at Westpac and the CEO of the Bank of Melbourne. She has been promoted across to Westpac, which now owns the Bank of New Zealand. Also on the board are Colin Carter, who is a founding partner of Boston Consulting Group; Charles Lane, who is CEO of the Myer Foundation; Christopher Bartlett, who is Daewoo Professor of Business Administration and head of the Program for Global Leadership at Harvard Business School; Graeme Wise, who owns the Body Shop and a new franchise called Accessorise; Tammy Williams, a young Indigenous leader and practising barrister from South-East Queensland; Mark Rose from RMIT, who is a professor and runs their business school in Singapore; and Stephen Rothfield, who used to own Bryant and May, has just joined our board. He sold that company a couple of years ago and has been doing a lot of hands-on practical work with us up in the cape over the last two years. Sir Ninian Stephen is our patron. We have a board that brings a range of expertise. They are very hands on and involved in think tanking and looking at how the corporate and business sectors can better engage with Aboriginal communities.

Much of the reasoning for their coming together was based on the fact that many of those groups had invested significantly over the years in Aboriginal development and they had found that it was not having much success or impact. They wanted to crunch these issues and to

intensively pilot some ways to resolve problems and to assist Aboriginal communities. We went through a process over three years with the board thinking through what the corporate sector can do and what it needs to do to change the way it delivers support into these areas, and what amalgamation of corporate, philanthropic and small and medium business is needed in regions like Cape York to really make a difference.

For the past two years we have been delivering a wide variety of programs. I should add that within our support network, in addition to our corporate and philanthropic partners, we have 50 small and medium businesses and experts who are also participating in different ways. What we do is very varied and it responds to Aboriginal requests for assistance. We work with leadership and peak Aboriginal organisations in Cape York. One of the things we found in our development was that it was critical for our partners to take a support role and not a leadership or ideas role. It seems so simple and obvious now, but it took a lot of work by the corporate and philanthropic sector to shift their mindset. We hope that IEP is starting to set some benchmarks and new ways for this very broad engagement.

Our programs range from assisting through the philanthropic sector raising funds for pilot projects that we deem to be very important such as the Boys from the Bush program and the Cape York youth network to a smattering of smaller things. What we really deliver is people. Through pro bono work, volunteers, secondments and fellowships we put several hundred people a year into Cape York and the Aboriginal organisations and also into mentor programs. They do a wide and varied range of things. Westpac provides 50 secondees a year for one month periods. They work through the Balkanu business hubs and do everything from business planning and business coaching and they assist the family budgeting process through family income management. They also have a series of fellowships. One of their fellows will be coming today. The fellowships run for 12 months. Boston Consulting Group has a rolling series of fellowship programs and they usually have at least one team of people up here working very intensively on some of the larger scale projects and programs.

In addition, we are working with First Australians Business and a number of other organisations to really crank up mentors. As you would be aware, there are mentors in a range of areas and they vary in terms of what they do and how much time they spend in the communities as opposed to what they do from distance. At a higher strategic level we have been building the capacity of the Aboriginal organisations through teams like BCG and the fellowships. People from Westpac, BCG and other organisations are working for the Aboriginal organisations in fairly senior positions such as the general manager in Balkanu, who is the business hubs coordinator. I could talk for quite a while about all the things we are doing but I gather that you would really like to ask some questions.

CHAIR—There will be an opportunity to encompass some of your broader points at the end so we might go to questions now and you can respond later if you think of anything that we have left out or if you think of anything else. Perhaps I can set the scene a little as I understand it in terms of this focus on a real economy. We talked earlier about \$200 million worth of welfare, 8,000 people and what I regard as a totally new way of thinking, namely the ‘our right to take responsibility’ approach. It is almost ingrained into everything that communities and the Commonwealth and state governments do. You talked about a mindset in terms of the traditional way of doing it. It may only be 20 years old. There is a reference to a real economy generations ago. This deals with something that is totally new but which is not so new to you people. It is

becoming a little less new to Australians, as Noel and others have received wide coverage about what many Australians regard as the hope for the side. Without wanting to put too much on you people—I do not mean to do that—most Australians I relate to, right across the spectrum, see this as something that is really new and exciting, and which is hard work. They welcome it.

With that sort of lead in setting the stage, I think it would be fair to say that there has been a three or four year activity time. No doubt you will correct me on that in your response. Some months ago when we were discussing this, you emphasised that you were not in the business of overplaying any achievement. It is such a long and entrenched issue that you are not claiming miracles. However, you are advancing a whole new set of values and ideas. What are the main things that have come out of it in terms of achievements? While you may be reluctant to go too much into it at this stage, what are reasonable measurements in this regard? There is a lot of interest in this and you have a couple of things it would be reasonable to say should encourage us. Is my time scale right? Have I set the scene? What are your achievements and how should we measure them?

Mr Winer—The time scale point is very important. It was our assessment that welfare dependency is very entrenched. It kicked off 30 years ago so it is an intergenerational issue. Indigenous Enterprise Partnerships recognises the total structural change and community change that is required and it has made a 20-year commitment to the region. We spent two or three years think tanking and have really only been delivering services over the past 24 months. It is very early days, but we are quite impressed by some of the progress that has been made on Cape York. When we started we could identify two Aboriginal run businesses on Cape York; the rest were community run. Some of our business colleagues who visited the region likened the way that the community economies had been set up to communist ghettos, and probably no better than the communist ghettos that are currently being deconstructed in Eastern Europe. That is how solid the mindset was. The imposition of rule over those communities has affected them to the point that people are now scared to engage in business. They wonder whether they are permitted to engage in business. We find that many people have very little understanding of money, money transactions and savings. Many people have had no access to savings. Although it is very early, in terms of achievements one of the most critical things we realised was the need to build the capacity of the Aboriginal organisations to make way for the change.

CHAIR—Other witnesses have arrived, Michael. You can invite them to the table to speak if you so wish.

Mr Winer—I would like to speak for a little longer and then perhaps Balkanu can make a presentation. We could join together then. In terms of achievements, I stress that we continually find new blockages and things that need to be done. It is constant. Often when we discover that, the barriers are so obvious. We saw that it was important to build the capacity of the Aboriginal organisations to deliver the services, to manage the corporate and philanthropic engagement and to set the priorities. To do that, the level of expertise in those organisations needed to be cranked up. For the corporate, philanthropic and business sectors to truly engage with the communities there needed to be an infrastructure platform within the communities and the remote regions in which they could participate. Those infrastructures needed to be under Aboriginal control. Those were critical issues. They needed to be under Aboriginal control so that Aboriginal people would take the credit for success in the programs and take responsibility for any failures in the programs or in the business development agenda. Working with Balkanu, a team came from

Harvard which was overseen by the Boston Consulting Group. That team looked at a business facilitation model that included the creation of a series of business hubs in the community that would interface with the community. That is now established and it is a great achievement.

Tony will talk to you about the Balkanu business hubs and how they operate, but for groups like Westpac it would be impossible to engage in the scale and manner that they are without properly resourced and functioning community interfaces such as the business hubs and also without Aboriginal organisations with the resources and management ability to actually manage such a program. Really, the first step was to get in there, assist the peak organisations, build their capacity, work with them, and then work with them in developing the interface with the community.

We also found that the levels of wages within the Aboriginal organisations at the community level meant that they were not able to hire in the sort of expertise that was needed to crank up these hard issues. In fact, throughout many remote communities we were finding that people who certainly did not have the skills were running multimillion dollar businesses—people who probably would not be hired or be in a position to run their own business anywhere else in the country.

Through these secondments and fellowships and so forth, one of our big aims is to crank up that level of expertise. For instance, for a \$50,000 wage with a fellowship, the company is paying 50 per cent, the support organisation is paying 50 per cent and the person is sacrificing 50 per cent of their wage, and so you can really start getting high-calibre people in for what in the real world are relatively moderate wages.

We have reached the stage where the business hubs are now funded by the federal and state governments—and Tony will give you the detail on that—and the capacity is really cranking up, particularly within Balkanu. We need to do some more work in some of the other peak organisations. It is at the point now where there are about 40 or 50 businesses under incubation and quite a number of those are up and running.

The other thing that I have certainly felt after my last few visits to some of the communities is that a bit of a momentum or snowballing of entrepreneurship is starting with the first few successful businesses up and running. It is starting to catch on. People are starting to feel it. It has taken us a couple of years to get the first handful of businesses going, but we are going to see a bit of contagiousness within that. We are starting to feel that around the place. Those early wins were the hardest. We are reaching the point where they are starting to get up and our hope is that the results will start snowballing.

Again, they are very hard measurements, but some of the measurements are the obvious ones of employment and how many jobs you create and how many businesses you create. I think it is really dangerous to put too much emphasis on that because of the complexity of the task. You can put those targets on if you give the right amount of time span. This is where the government can sometimes fall down. They want those results quickly. They want them before the next election. They say something like, 'We have invested a million dollars and there are only six small businesses up and running.' However, we have to look at the big picture long term, the snowball effect and the change within the community that is required—the permission, the allowance and the will and the desire of people to engage in the economy. You need those social

markers. The critical marker for us will be things like life expectancy. That has really hit rock bottom in the region at the moment.

CHAIR—To go back to the communist ghetto and the people with the permission to think, I put it to you that most Australians did not know whether they had the permission to think outside those traditional lines too. In other words, as a country we were really locked into that traditional model. You may not wish to comment on it, but I make the point that I do not think it was an issue for just the Aboriginal community or the Cape York community; it was an issue for the whole Australian community, who felt that they were only allowed to think in a particular way.

Mr Winer—In Australia, business is generally not encouraged as much as it should be. I do not think it is encouraged as much as it is in many other nations. Alex McDonald, my colleague from the Body Shop, always complains that when you ask kids, ‘What do you want to do with your life; what do you want to be?’ their answer is, ‘I want to be a technician,’ ‘I want to be a labourer,’ or ‘I want to be a fireman,’ but very few people say, ‘I want to be a businessperson,’ or ‘I want to run my own business.’ Yes, I think it is a problem throughout Australia. But for the Indigenous communities in which we are working that was not an option in real terms. If there was a business, it had to be a community run business.

Ms HOARE—I am interested to find out how involved the community has been in the process. You have spoken about the partnerships, the directors, the corporate philanthropy and business involvement in what is happening with Indigenous Enterprise Partnerships. I am wondering how involved the community members have been in that process. You say that there is a 20-year commitment from the businesses involved in the region. We are now four or five years in on that. I am wondering about the sustainability of what has been set up. You also spoke initially about this being a pilot program and hopefully being able to replicate it in other communities. I am also wondering how far the partnerships have gone along there.

Mr Winer—I will just clarify: the 20-year commitment is by IEP, whereas our partners are mostly making three-year renewable commitments. It is very hard to predict the sustainability of the program over a 20-year period in that trends change and interest areas change within a community. But I think that for our corporate leaders on board to give their recognition and personal long-term commitments bodes well for a long-term commitment from the business community.

Ms HOARE—What about the involvement of the community?

Mr Winer—The engagement of the community is really a question for the Aboriginal organisations, but it is a valid question for Indigenous Enterprise Partnerships. One of the strategies involved to allow this engagement is that we have structured things in a way that Indigenous Enterprise Partnerships face the south, to the Melbourne, Brisbane, Cairns and Sydney business communities—in fact, the Australian business community. We see it as the responsibility of the Aboriginal organisations to do that community engagement. Part of the idea of setting up the business hubs was to give a direct interface for the community to participate in the business agenda.

The Aboriginal organisations of the cape have a whole series of forums and so forth established to engage the community—particularly the land and health summits and the way

their boards are structured with community representation. We see it as very important to set up the infrastructure I am talking about for the corporate and philanthropic engagement so that they are not responsible for that day-to-day interface of engaging the community. We do not really see it as their role. We see that as the role of the Aboriginal people themselves, their leaders and their organisations.

We have found in the past that many groups—including government agencies, NGOs and businesses—have tried to engage with an Aboriginal community directly, on their own, without using the channels that are set up by the Aboriginal people themselves. Rather than help they tend to cause a bigger mess. Often they ask the wrong people, they do not understand the politics of that community and they are often in over their heads in the best way to engage with a community.

The other thing that is a bit of a myth in Australia is that with Aboriginal communities you need consensus—you need to have the whole community to agree before something can happen. There is no other community that I know of where that expectation exists. It is very hard to get 100 per cent consensus on anything. I think that is part of the paralysis that has occurred in the Aboriginal sector. People do not realise that, yes, a majority is good. Sometimes you will not even get that but does that mean that that small group of people does not have a right to move forward and do what they want to do in life? That is part of that communist type thinking that in the past has been an umbrella in many communities. It has been imposed to a large extent where clans and communities had their own ways of making decisions, thinking, involving and prioritising. It was put under the structure of community councils, certain organisations or whatever. We see that our partnership with Balkanu and with the Partnerships Office has really streamlined engagement. It allows our partners not to be bogged down in those things but to deliver a platter of resources to the community.

Ms HOARE—Can it be replicated?

Mr Winer—That is something I am a bit sensitive on. We are going through a review period and looking at that exact question. One of the reasons we wanted to pile it in one area was, firstly, to get things right. Secondly, we needed a really intensive focus. For instance the Westpac secondment program—50 people spread across the country—would not really have an impact; 50 in one region would. So we felt that this intensive pilot was required in one region, and that it would help to direct us on what a ‘rollout’ may be. Having said that, we are looking at a range of options. There are a lot of other good groups doing stuff around Australia—whether it is Rio Tinto over in the Kimberley, the Lumbu Foundation or First Australians Business. A lot of our partners do stuff nationally. We need to look at a range of options in a rollout. It could just be sharing learning; it could be something more significant. I hope to be able to answer that question in six months, but what has been developed in the case is a range of really exciting models that other regions and communities and government organisations should study closely and look at how they can replicate them.

CHAIR—Has there been significant interest in that?

Mr Winer—It is huge at the moment. We tried to be quiet about what we were doing, and we managed to do that until November last year, until the episode of *Australian Story*, when we went a little bit public. After that story we were inundated with probably 300 offers of help and

probably 100 calls from people wanting assistance. It is hard to manage. I get calls every day from communities around the country wanting help, and all we can do at the moment is say, 'Just wait.' We are willing to share our learning but we do not want to share learning that is wrong. It is a delicate balance.

Mr TOLLNER—While you are on the subject of consensus and so on, I am interested in land rights and native title. I understand that there are culturally important reasons that Aboriginal people should have title to their own land. In the current circumstances economic development seems to be stifled by a lot of the bureaucracies that are in place to manage it. How have you managed to incorporate land rights into what you are doing with your organisation?

Mr Winer—It is not an area we specifically work on. Where our interests would lie in that is that, as people return to their country, as land is acquired or they get rights on land—especially economic rights on land—we would want to know how we could assist to make sure that it works. I personally have been involved in land acquisition in the past, in my prior occupations, and it is an enormous thing for people to move back to their country after having been removed some 10 or 20 years ago—and some have never been back to their country before.

Again it is probably an area Balkanu can talk more about because they actually do a lot of work in outstation development and things, but I see IEP's role as trying to make it more viable for people to move back into country. We know the huge difficulties involved in remote area economic development. It is hard enough people going back to country, building their infrastructure, relearning their country let alone having to build economics on top of that when they have never really participated in business before. I see our role as supporting people in their aspirations and trying to make it more viable economically for people to be able to enjoy their native title rights.

Mr TOLLNER—I will take that up with Balkanu later on. With regard to the organisations that you are involved with, it seems to me that you involve yourself almost across the board with ATSIC, land councils, corporations, the Commonwealth government and the Queensland government. How are you finding the interaction of players? How are you finding the bureaucracies, the timeliness of decisions and that sort of stuff, and overlaps in particular areas? How have you managed to cut through all the red tape?

Mr Winer—It needs a huge amount of work. The concepts that have been developed here with partnerships and government roundtables are fantastic initiatives. Indigenous Enterprise Partnerships are in a very fortunate position of being a doing organisation, and we tend not to allow ourselves to be caught in that red tape. That is something for the Aboriginal organisations to sort out. What we deliver are people to do things on the ground. By doing that, we are hoping to set an example for the government and non-government sectors to look at.

When Boston Consulting Group came in and looked at what sort of business support was needed in Cape York, what we needed to do and what gaps needed filling, what we found was that there was an absolute mishmash of services available. There was everything that you needed to actually incubate or facilitate business start-up, yet there were no businesses. This is part of this \$200 million welfare economy that is not improving anything. There is state development offering these services, ATSIC offering them, Balkanu offering them and various other

government departments offering services. I think someone said there were something like 24 different government departments offering youth programs.

This was the sort of thing that really pushed Noel and the state government to form the partnerships office to try and sort out this spaghetti maze of stuff. The BCG team basically looked at this whole mishmash of stuff that was out there and said, 'The ingredients are there. The problem is they're not falling into place at the right time at the right moment in any sort of coordinated manner. They're not talking to each other. There are people up there with five business plans and their business still isn't operating.' And yes, there are some key missing ingredients that we are still discovering along the chain of events that needs to happen for someone to start a business.

We had recognised totally that there is this absolute mishmash, although it is starting to get better and better up here in relation to people talking to each other. What we needed was a point in the community that we could deliver services to and one or two points that we could negotiate with. We then saw it as their responsibility to sort out the red tape and the maze. That allowed for really efficient resource delivery and that is where EIP is at: bringing the resources, working through Balkanu and the partnerships office and starting now with Apunipima health council—top up the resources; then, bang, into the community. But the lack of coordination was just disastrous and was causing more problems than help.

Mr SNOWDON—Could you give us a bit more detail about the 40 or 50 businesses under incubation, how the incubation process works and whether you have any resources from DEWR for NEIS training under the incubation process?

Mr Winer—That is probably more a question for Balkanu, isn't it? This might be a good time to bring Balkanu in because there is a crossover of questions that are going to be required. Perhaps Balkanu can do their introduction and then you can question both of us.

[10.25 a.m.]

ROEDIGER, Mr Anthony, Boston Consulting Group Project Officer, Balkanu Cape York Development Corporation Pty Ltd

VARNES, Mr Anthony, Business Unit Manager, Balkanu Cape York Development Corporation Pty Ltd

WOIBO, Mr Edmond Willie, Hub Manager, Balkanu Cape York Development Corporation Pty Ltd

WINER, Mr Michael Paul, Chief Executive Officer, Indigenous Enterprise Partnerships

CHAIR—Welcome. I now invite you to make a brief opening statement and then we will go from there.

Mr Varnes—We have brought some people with us, and they are at the back of the room. They are visiting from Oxford and have arrived today. It is an example of the resources that we have been able to access through IEP.

CHAIR—Oxford in the UK?

Mr Varnes—They are from Oxford University. They are doing their MBA and they have offered to do a project with us.

CHAIR—Welcome to our UK visitors.

Mr Varnes—This will be a useful introduction for them as well. I do not have a detailed presentation specific for this forum. I have brought some copies of a now slightly dated PowerPoint about the business hub strategy, which I am happy to hand out, but I am not sure that you want to go through it.

CHAIR—I think just a brief. Maybe we can peruse the copies as you are talking and we can prepare our questions in that context.

Mr Varnes—The document outlines the philosophy behind the business hub strategy, and that is by way of background for other things that we will see. Slide No. 2 says that support services underpin all successful business creation and that, as the business evolves from one stage to the other, types of support change. That support includes encouragement, testing of ideas and models, venture capital services, general services like accounting and legal services, and mentoring across the board. Slide 3 shows that, for Indigenous entrepreneurs, gaining access to that type of support has traditionally been quite difficult. The middle column shows the sorts of places where I would find support if I were setting up a business in Cairns, but in the right-hand column we are saying that all those things are a bit harder to find in remote communities.

Slide 4 is saying that failure to get any of those areas of support makes business riskier. It is linked to the previous slide in saying that they are all harder to find. We are saying that business is riskier when you do not have any of those specific supports. Slide 5 is the summary of the goal. We are trying to reduce the risk exposure for business start-ups in the cape to, hopefully, lower than the normal risk exposure of a mainstream whitefella like me starting a business in Cairns. Slide 6 is a diagram explanation of how we think the hub would work. Someone could go to the hub and find each of these areas of support. It is not limited to business planning; it is whatever the client needs at the time.

There is a much more extensive presentation on this, which I have not brought, but the key point here is that the hub manager cannot do all these things. It is a vehicle or, to use Michael's phrase, an infrastructure that allows many other service providers to deliver the services they are able to. With regard to all the services that DEWR fund, for example, there are support networks—NEIS training providers based in Cairns—who would find it very difficult if they were to drive to Hopevale and drive around the community looking for potential NEIS candidates. But if the hub is there and knows who those people are, they can say to the NEIS provider, 'Come up and spend the day; we'll have those three guys here waiting for you.' It provides a more efficient vehicle for many other service providers to do what they do.

Similarly—and I think Mike touched on this before—with the model on linking up with the corporates, there is a tremendous amount of goodwill there from corporate partners—and not just from BCG and Westpac but from a whole range of others. The model is intended to provide a way for people who have really good skills to come in and do what they are good at. They are not going to have to come in and manage the relationships before and the relationships after. They will not have people saying, 'Come in and do the business plan. Come in and do the cash flow.' Someone will be there already managing the relationships before and after.

When somebody leaves, we are not going to leave that client wondering, 'What the hell happened? Where did that guy go?' There will be someone here saying, 'You have done that. The next thing that you need is X. Let's sit down and talk about how you are going to do that.' So it is an infrastructure—as Mike said—that actually manages the relationships and the issues on the ground, but pulls in expertise as required, whether that is from DEWR, ATSIC or the corporate sector.

I have updated the final slide but I have not brought the most recent copy. The major things that have changed on that are the federal sources. ATSIC and DEWR are actually contributing. ATSIC is funding two hubs—NPA and Kowanyama—and DEWR is funding some of the costs of the Cairns office. I think that the top half of the slide is still correct.

CHAIR—Good start. Mr Snowdon might like to target a couple of issues in terms of the groups.

Mr SNOWDON—I am interested in how the hubs work as incubators. I have a couple of background questions first. What is the demography of the communities in which you are working and what is the educational profile of those groups?

Mr Varnes—Each of the communities is different. We have a hub in Cooktown. Eddie is the manager there. That office is supporting Wujal Wujal, Hope Vale, Cooktown, Mossman and—

perhaps to a lesser degree—Laura. We have an office in Coen that is supporting Coen and the Lockhart River. We have an office in Weipa supporting Aurukun, Mapoon, Napranum and Weipa. We are in the process of setting up an office in the NPA which will be supporting Injinoo, Umagico, Horn Island and New Mapoon. I will be going to Kowanyama now that we have had confirmation from ATSIC about hub funding for Kowanyama and Pormpuraaw.

Each of those places is different. Typically, the educational level is very low, so there are issues around numeracy and literacy et cetera. We have recently done a labour study that talks about all the jobs across the cape—which require higher levels of skill sets, how many are filled by Indigenous people and, of all Indigenous people, which jobs they are in. I have not brought all of that.

Mr SNOWDON—Could you make that available?

Mr Varnes—We can make that labour study available. I think ATSIC have fairly recent details about the population profile of the cape. I am not sure if it is broken down by population. I think 50 per cent of the population is under 25. There are very low levels of numeracy and literacy. I think there was one person that graduated and went to university in the last year, or over the last two years—something like that. I do not have all those numbers here.

Mr SNOWDON—That is okay. You can get them.

CHAIR—That is not an issue. You can take it on notice.

Mr SNOWDON—The reason I am interested is that the educational attainment levels of individuals and communities obviously make a difference as to how well you can access them into business. That is the reason I am asking that question. If we can get that information later, that is fine.

Mr Varnes—I want to make some points. The document you have got is one that we wrote when we were still trying to set up hubs and source funding for them. The principles, the philosophy and the thinking that is in there are correct, but if I were to do that today—through some of the learnings that we have had in the last 18 months that we were operating—I would probably say, ‘Change it.’ There are critical issues around capacity building, which I understand is your terms of reference.

CHAIR—That is what we hope the hearings to be mainly about.

Mr Varnes—I would like Eddie to pull me up or correct me if I am not stating this correctly. We built that model thinking that if we provided the technical expertise—a bookkeeper, someone to do a plan—and the infrastructure to facilitate business expertise or a business office—a fax machine if necessary—that capitalism would somehow automatically happen. We know there are opportunities there. We know there are people interested in it. We know that the risks are around bookkeeping, so let’s plug that gap. It was much harder to get that to work. On reflection, the biggest barrier we faced was that people were very reluctant to take a risk and were very reluctant to take the next step.

I note your question about people being allowed to think. One of the businesses that we have got up and running is run by a gentleman who I previously worked with. Even though we did the business case, we did the model and we knew he had support networks there, it took him 12 months before he was confident to say, 'Yeah, I'm going to run this business.' This is a gentleman who was restricted as to what parts of Cooktown he moved in as a kid. He was not allowed to own his own bank account. He was not allowed to withdraw from his bank account without permission. Unless he had permission from the police, he was not allowed to go to his mother's funeral. He asked for that permission and it was declined. He did not go to his mother's funeral. You know who I am talking about?

Mr Woibo—Yes.

Mr Varnes—So in terms of people being allowed to think, I take the point that there are things that impact on all Australians and on how much we think outside the box, but I think that if I had been brought up in that situation I would have faced the same issues. Am I really going to step out into the sometimes hostile business community of Cooktown and run a business and stick out my neck? I would be very cautious about that. That is what we have learnt. Where we have had the most success is through running motivational camps that get involved with the internal people issues. It is not about whether we can provide you with a bookkeeper. It is about whether you have confidence to step out and take a risk yourself. We have run several camps based on the model that the Body Shop has run around the world. Those motivational camps have been very useful and have taken a number of clients saying, 'Well, yes, I am going to get involved. I am going to take the next step. I need this,' or, 'I need that.' Having got to that stage, the model is starting to churn through some process.

CHAIR—We are the beneficiaries of your experience. My point was also in the wider Australian context—the way the wider Australian community viewed the Aboriginal community. That point you have just brought out reminds us about the total difference in the opportunity to develop the experience, the skill or the basic understanding.

Mr Varnes—I do not want to dispute your point, but I think the issue relates to confidence. Over a period of time there has been a systemic taking away of people's responsibility to think for themselves and manage their own business. That has been a real challenge for us. If we had understood that when we started, we probably would have written this document a bit differently.

CHAIR—The reason I draw your attention to the wider Australian community is that a key part of our terms of reference relates to how the community—that is, government and the bureaucracy—respond to the issue. Therefore, in that example you have just given, it is critically important to understand what you have described and have learnt from your own experience. That is what I am trying to extract.

Mr SNOWDON—Chair, to be fair, the point that is being made here is that governments, institutions, missions—whoever—have been part of the problem.

CHAIR—Absolutely.

Mr SNOWDON—The institutionalised racism has come from there, not from within the community. Now we are looking at the historical experience of individuals who have lived in that environment. Could I pursue this issue a bit further. I am interested in the interface between identifying an individual and getting to the point of having a business. What linkages are there between what you do and the requirements of government?

Mr Varnes—I think we could go some distance in improving those linkages. Previously there was scepticism from departments and they persisted with funding their own economic development staff based in Cairns, sitting in their offices. They have now seen the results and the cost-effective way that we have been able to deliver more volume in terms of business plans or specific case scenarios that we have been able to go through with our corporate partners, as well as building capacity of the individuals. So my impression is that, now that we have established the business hubs, there is an increasing desire on the part of departments to come and work with us and to use the infrastructure that is there.

There are also some matters on our side of the table. We have to increase our use of existing resources in departments. So while we have been learning and finding our feet, we have not fully accessed all the support that government can provide. We have been inside our own walls as well. That is similarly the case with government. My experience is that that is starting to change. In the case of a number of projects, we have said that we will provide a list of projects that we are currently thinking about to some of the key departments. In particular, the Department of State Development is taking a lead in this regard. We will say, 'We're working on these projects.' They sit down and say, 'We're working on these.' So the dialogue that we want to get to is that, if they have a budget of however many dollars to do business plans for their list, we would like to say, 'Save some of your money; we'll work together. Instead of spending it all on business plans, we can do that cheaper, and keep some of that money for things other than paying for a consultant to do a plan.' We can inject money into training or equipment et cetera.

CHAIR—We need to start winding up. We have a tight schedule today.

Mr SNOWDON—Can I just pursue this question for a moment? I am particularly interested in the relationship between your business hubs and the incubators which are set up under DEWR, under NEIS; and what the relationship is between NEIS and your hubs; and whether or not NEIS have used what you are doing to inform them about how they might change their guidelines to suit your environment.

Mr Varnes—Specifically on NEIS, we do not have any clients that are on the NEIS program, and I am not sure if any person in Cape York is on the NEIS program. A lot of our clients are not at the numeracy and literacy stage needed for being on those programs. We originally spoke to DEWR about the incubator program; we were told that there was a three-year lead time in terms of doing the incubator business plan et cetera so we did not go down that track. That would be one of the things where I would say there is room to improve engagement—we have not fully accessed the support that is there. There are recently set up organisations providing NEIS specifically for Cape York. I met with one of them on Friday and there is another one I am yet to meet.

Mr SNOWDON—You did not put in a bid?

Mr Varnes—We put in a joint submission with a NEIS provider based in Townsville, and I have not heard back as to where that went. I have only recently heard that the contract has been let.

Mr Winer—I remember in the beginning we were going to put in an application for the incubator program but then, as I recall, there was a trial one at Tennant Creek so they were not going to fund any more Aboriginal ones for a year or two—but that has probably changed now. I just thought I would mention it.

Mr SNOWDON—I was actually responsible for funding the Tennant Creek one and we anticipated having a suite of them rolled out in the bush, but they do not seem to have happened.

Mr Winer—But it is a very relevant program.

CHAIR—Can we take some of this on notice, because we need to move on.

Mr Varnes—If you want to address that issue of NEIS specifically, I would be happy to put out a little history of what our engagement has been.

CHAIR—Thank you very much.

Mr JOHN COBB—One general question first, that you probably will not want to answer: is there one area in particular where state and federal government hinder rather than help, or is there one area in particular that you would like to see changed in the way state and federal government work together?

Mr Winer—I think it is critical. I think this whole-of-government approach idea is really important for people to work together. It is right across departments. It is about being efficient with resources and directing resources into those little things that really make a difference. I think the government also has to consider, since things like business and the economic development stuff are high risk, what areas of the government should take responsibility and where it would like to support other people to actually do it—and things like that. That high-risk nature is something that sometimes really scares the government in relation to business development. I really think it varies. I think one of the problems with the government in its business development agenda too is that a lot of the government employees that are doing business support have never actually run a business or done business.

Mr JOHN COBB—I am sure you are right!

Mr Winer—It is a similar issue that we have actually come up against with Westpac and BCG because they are more advisers, or people who do business plans, or strategists or problem solvers, so a really important role for IEP is to make sure that Westpac and BCG people are linked with practising business people. The big issue, and why this is a critical issue in Aboriginal Australia, is there is not the business experience in the community. So in a normal scenario in Sydney or Cairns or Melbourne you would have mentors within your community, you would have models within your community, you would be surrounded by successful business people. Your mentor might be your uncle or your auntie or your niece or whoever. In Aboriginal Australia you do not have that because no-one has run businesses. In fact very few

people have even worked in the area where they want to set up a business such as tourism. So there is a whole bunch of new issues, whereas a lot of the government agencies are putting their standard business planning techniques. We had a great comment about one of the business plans: 'Hey, they wrote down what I said.' That was the business plan. So there is also an issue of where you put the weight of your resources and ensuring that through your resourcing you are engaging the people with the appropriate skills. That is where I think IEP is really helping.

Mr JOHN COBB—So really you are saying that it is not only both governments, but they have to work with businessmen in the region to somehow come up with mentors of some sort.

Mr Winer—It is all that, but the government also has to think about what programs it runs or delivers and what programs it can support the community to deliver. That has been a really important aspect. Facilitation and coordination of the different government agencies is just so critical. Like I say, there are people up there with four or five business plans for the same business but they have never actually been told, 'Do it! Go for it! It is time to do the business.'

CHAIR—You picked up on a really important point. I do not know how Tony and I ended up at crossed purposes on it, but I was trying to say to Tony earlier that government do some things well.

Mr Winer—Yes, absolutely.

CHAIR—They are the only people who will do it. There are others who do things so much better and if government can get smart enough and decide which is which then maybe we have a better chance. That is what I was trying to say.

Mr Winer—One of the most common comments I have had from government business development employees with regard to Indigenous Enterprise Partnerships is: 'You are going to do us out of a job,' and that is tragic. That is part of this mentality within government of how hard it is to break through and make partnerships and understand partnerships. Government can partner with the business community and the Aboriginal organisations, and it is through those partnerships that we get coordination and facilitation of effort. That is what we are really about. To those same people who were saying that to me, I am saying, 'Do any of your clients need these services? Come and talk to Balkanu, come and talk to IEP. Surely if you do yourself out of a job it means you have succeeded and you are going to get a promotion. Maybe you will move into a slightly different field but you are going to be better.' But the mentality in a lot of Aboriginal Australia is, 'I am not allowed to set up a business,' and that is one of the big problems. There is also this mentality in a lot of government areas of, 'If they get up and run their businesses and they succeed, what am I going to do?'

CHAIR—You have confirmed some of my fears.

Mr JOHN COBB—You touched earlier on something that has always struck me as one of the biggest problems. We all agree that employment and business are the greatest answer to most of the problems but the communities have shut down and are not being entrepreneurial. In fact, it is not even looked on in a favourable light by their peers. So I would really love an example of how you have got over that. How have you actually got somebody to shake off the peer culture? In my experience, when a bloke or lady does have a go, the first time they make a quid they are

expected to share it with friends and family and the lot, which tends to stuff it up as well. Can you give me an example of how you have got over that? I would love to know.

Mr Winer—Eddie is probably biting at the bit to answer that question. I can follow on if it is needed.

Mr Woibo—It is a big problem within Aboriginal communities; and no doubt it is a problem in the white community as well. The thing is, how do you get over that? One of the things that the hubs are looking at is that, if we can get more business running, we can get a domino effect that might overcome that—but it is a long-term thing. I just understand this: some of the people we are dealing with have had two or three generations on CDEP. We are trying to get them into a business situation and turn them into entrepreneurs. There is a whole mind shift there.

Going into business is difficult in anybody's language, as Tony mentioned before. People come in with a good idea. They take certain steps and, all of a sudden, it is like, 'I am getting out of my comfort zone here.' They are frightened to take the extra step. That is why the support we have with IEP from the private sector is very helpful—just to have somebody come on board; for example just to have Anthony come to Cooktown and for the people to see him there in the office gives them some confidence. We have then got somebody who can help us, who can take us down the track—that sort of thing.

To date, apart from just one, no-one has been offered seed funding. Somebody mentioned that we have 50 or so people on the books and they just cannot go the extra step. Nobody wants to fund them because of their background. That is the sort of thing that we are fighting with. The main thing we are trying to do now is basically just empower people. We are trying to get them to think about the changes they want. Instead of sitting down and saying, 'This is the way you should go', we are trying to get people to tell us how we should tackle things. I think it is working. It has been 18 months or so now and there is an attitude change there. We need people like you guys to support that.

Mr Varnes—Some of the businesses have been meeting and saying, 'We will encourage you to go the next step and we will put some kind of safety net there.' It might just be a matter of going down the road and talking to the local four-star resort and saying 'We can get together with you and do a guided walk around the property.' So, in some cases, facilitating something that they were afraid to do before has actually worked. In other cases, it has taken 12 months of intense mentoring to get a person to take the next step. Eddie is underselling himself a bit here. Eddie has been successfully operating a business in Hope Vale for 15 years and he is a mentor—he has the ability to say, 'We will help you take the next step.' He has been able to do that through demonstration and mentoring, but it has required intensive mentoring.

Mr JOHN COBB—So is the effort all with the individual you are trying to get going or is it with the community around him as well—getting them to back off?

Mr Winer—It is both. It is also about identifying the champions that really have the passion for it. The first six or seven or so businesses that have started so far—someone actually asked for a list and we should probably get that to you—have been based on an individual or a couple of people. They have needed really intensive coaching, almost like fitness coaching, for confidence building and just having someone to say, 'Yes you're allowed to do it.'

I will just give you one little example. The Walker family up at Mossman Gorge—and it is not so remote; it is up here right near Port Douglas—have been planning and planning for I do not know how many years, perhaps something like nine or 10 years, to start their own tourism business. All of these different departments and people were coming to them and they had various business plans done by different people. We found that what needed to happen was for them to unclutter their heads and pick one business. They had about six different businesses that they wanted to do and they had different governments and non-government agencies coming and helping them with the different businesses. They were so cluttered—they were caught in this cycle of meetings and business plans and there was no time to actually start their business.

The Body Shop people went up and, with Balkanu, helped to actually sort them out. They said, 'Pick one business and let's get that over the line, then we will talk about the others.' They focused on that for six months. By the end of it, even the Body Shop people were getting tired of all the talk. They said, 'We've got some mates at Port Douglas and they will pay \$100 a head for you to take them out for the day—they are on their way and they going to be there in six days.' This family said, 'No, we're not ready and we haven't made the spears yet' and so on. Alex said, 'We've been talking about it for too long—let's just do it.' They did it and they have never looked back. So there is that little barrier of fear of actually doing it.

CHAIR—I am going to have to cut this off so as not to be discourteous to the Cape York Health Council. I need to fit in the video link. I want to extend this, though, after the video link.

Mr JOHN COBB—Yes, we can come back to this.

CHAIR—Yes, absolutely. There will be opportunities during the roundtable this afternoon as well, but I still want to come back and spend 15 or 20 minutes with these witnesses. I definitely want to ask Mr Roediger his views, but it would be discourteous to the Cape York Health Council if I did not invite Ms Lavis forward just to say a few words. Mr Lloyd and Mr Cobb, apologies to you, because we have not completed that part of it. We need to move on because Jacqui has been waiting very patiently here.

[11.00 a.m.]

LAVIS, Ms Jacqueline Mary, Project Manager, Whole of Health Planning, Primary Health Care Access Program, Apunipima Cape York Health Council

WINER, Mr Michael Paul, Chief Executive Officer, Indigenous Enterprise Partnerships

CHAIR—Welcome, Jacqui. We have a video link starting in about 15 minutes, which is a fairly strict appointment. Would you like to make a brief opening statement and then we will go through a couple of issues.

Ms Lavis—Thank you. I understand your time frame, so I will talk fast. Having heard the nature of the questions, I can see the things that you are interested in. I am representing Doreen Hart, who is the Chief Executive Officer of Apunipima Cape York Health Council. My role is as the project manager for Whole of Health Planning, which is a program under the Primary Health Care Access Program. It is funded by the Commonwealth government through the Department of Health and Ageing and is supported by Queensland Health, which provides field team staff and resources when we are working in communities.

I will give a brief overview of the Cape York Health Council. Next year is its 10th year of operation. It is an advocacy body which is working on the issues of health of the Indigenous Aboriginal people of Cape York, particularly focusing on the underlying problems of alcohol and drug dependency, and it works very closely with health service delivery agencies. It is an advocacy body that accesses program funding for delivering capacity building, training and health education but it does not actually deliver health services. Those are delivered by Queensland Health.

I will pick up the question that John asked one of the previous participants. He asked: 'What would you like to see happen in your topic area?' There was a comprehensive regional health care agreement between the state and Commonwealth governments. The process that I am working on has both a community based whole-of-health planning component and a regional component, which will roll out from the community whole-of-health plans. What Apunipima would like to see happen, and what we are hoping, is that that will give us the vehicle for that regional health care agreement.

What happens at the moment is the classic case of overlapping programs and service delivery in health. As an organisation we are quite successful in accessing programs from departments such as the Department of Family and Community Services, the Department of Health and Ageing and other Commonwealth departments and also from state departments. Program based funding is often on the basis of pilot projects or trial projects in one or two communities. We do not have the capacity to deliver across the board in all the 17 Cape York communities that we represent. That can cause some difficulty for us because we are a representative organisation. We have two members from each of the 17 Cape York communities, so we do have an expectation from our governing committee, our elected members, that services should be delivered equitably across the region. The reality is they are not, and that is a difficulty for us.

At the moment we are developing a vehicle which we believe would help us improve that service delivery. It is very much similar to the hub concept that Tony has been talking about. We have a concept for regional hubs for health service improvement. We would not be duplicating what Queensland Health do, but we would be working on the basis of capacity building in communities, employing Indigenous people to work in the areas of health education, and health promotion and community development to make sure that people in the communities understand their rights in terms of health service delivery and are able to access health services confidently.

All the issues which were talked about in relation to people's reticence to participate in business are as real for people in participating in their own health outcomes. People lack confidence in what they can ask of health services. They lack confidence in what they can expect from health services. In many instances, they are passive in demanding the access that you and I would expect in urban communities. They are very passive in what they seek. We see our regional outpost model as being able to overcome that. We have quite extensive plans for moving people from community based training through into health career pathways. Chair, that is probably enough. I know your time frame. You might want to ask a few questions.

CHAIR—Thank you very much. I would like to clarify something. You have probably already said this, but are you resourced by Queensland Health?

Ms Lavis—Funding for the organisation comes primarily from the Department of Health and Ageing.

CHAIR—So the Commonwealth, yes.

Ms Lavis—The recurrent funding for the organisation comes from Health and Ageing. The funding for the project that I am managing, which is called whole of health planning, with a whole-of-government focus, is funded by a special grant which runs until November this year of around \$400,000. That is funding field teams working in the communities. So that issue of community engagement that Michael was talking about and Kelly has raised is very much our core business in working in communities. Queensland Health give what you would probably call in-kind support. They nominate Indigenous field team people to work with us in health planning.

CHAIR—You talked about the difficulty of equitably applying the funding, as I recall your earlier comments. It seems to me—and this is one of the key issues—that in previous work that we did with Aboriginal health there is the Commonwealth AMS and state mainstream services and it seems that the funding goes to the squeakiest wheel; there did not always seem to be a logical application in a universal sense to the community. Is that what you were saying?

Ms Lavis—Yes, that is correct. Cape York itself has no Aboriginal medical services, so Queensland Health are delivering health services across Cape York. The nearest Aboriginal medical services to Cairns would be in Mareeba or Innisfail. Because the Queensland Health infrastructure is so extensive, the role of Apunipima has been not to attempt to duplicate that but, rather, to improve access to that. The infrastructure is impressive, but the health outcomes are poor. The reason we think that is the case is that people do lack confidence in what they can seek. The way health services are delivered is very paternalistic, and a number of issues have been raised here. It is a matter of saying, 'You will come for your health check next week,' and

not people saying, 'I need to know this about my health. I need to be strong in accessing health outcomes for myself and my family.'

CHAIR—So developing that is very much part of your work.

Ms Lavis—Absolutely. It is capacity building at the community level for people to be able to take control of their health destinies.

CHAIR—I understand, Michael, that we have about four or five minutes before we connect up.

Mr Winer—Yes. We can just keep the people on hold.

Ms Lavis—I have a colleague returning for the roundtable discussion who will be able to take some questions.

CHAIR—Will you be there as well?

Ms Lavis—Unfortunately, no. I have another commitment. But my colleague Dr P.D. Ryan, the manager of policy and programs for Apunipima, is coming down. He will be able to continue.

Mr SNOWDON—How will the PHCAP model work for Cape York?

Ms Lavis—We are anticipating that we would be seeking funding for the regional health outpost model. It is quite similar to what Tony has described for Balkanu: it will enable the organisation to employ Indigenous people to work in communities in health career pathways, to work at the community level rather than from the health centre. People are reticent to access the health centre for ongoing health promotion and health education outcomes.

Mr SNOWDON—The people of Katherine have just started the Sunrise Health Service. They are about to take over all the Northern Territory government's assets within their region and run them. Is that sort of thing anticipated here?

Ms Lavis—We probably would not be so bold as to presume that, but it has certainly been talked about, yes. It could well go that way.

Mr SNOWDON—To get to that end result you would proceed down a course of consultation, discussion and then ownership?

Ms Lavis—That is correct. We want to walk before we can run. That is certainly a potential model.

CHAIR—I want to come to the alcohol strategy that is being talked about at the moment. It is much in the news; it is very topical. You are closely linked to that?

Ms Lavis—Yes. Apunipima was actually responsible for convening the working group that prepared the Cape York substance abuse strategy. We have a number of programs which are

working on the effects of alcohol. One of our most significant programs at the moment is called Grog Babies, which is about the effect of alcohol on foetal development. That is a program that at the moment we have only been able to deliver in two communities as a pilot project. We have every community in Cape York asking us to go back there with the foetal alcohol syndrome trainers, who can identify children who are affected, identify pregnant mothers who may be at risk and develop a community plan for children who are affected. As you know, those effects go right through the cycle.

CHAIR—I am sure they do. But I need to understand—and in another inquiry in another parliamentary committee we have looked at some of these foetal substance abuse issues—and so can you give me a couple of clear examples of what we know about this?

Ms Lavis—We know that children affected by foetal alcohol syndrome find it difficult to socialise. It is a bit like ADD: they do not react in the same way to external stimulus as children not affected by that syndrome, they need different routines of feeding and schooling, they have poor concentration in school. They really need intensive assistance at community level right through their cycle. We probably have two generations in Indigenous communities of Cape York who have actually suffered those effects, with no diagnosis and no understanding of the effects of those. So the intervention strategy that Apunipima is working on now is to ensure that girls from the age of 12 or 13 onwards, just as they are reaching puberty, understand the impacts of drinking on their future children, to ensure that mothers intending to become pregnant—and fathers too—understand the impacts of drinking on children and to ensure that there are community support networks for children who are affected. So it is a program that can work at a number of levels and has great potential.

CHAIR—And it is just a beginning.

Ms Lavis—It is just scratching the surface, but there is a big demand from the communities to understand it. It is a program which has some very striking visual images, artworks that have been developed by young girls in communities, and people are asking for that program to be delivered.

CHAIR—My last question is about the debate that is occurring right now in the community about the acceptance of banning alcohol. There are very clear responses. People like police officers are responding with: ‘Where to next?’ Where to next with taking alcohol out of communities and blending in? What do you see as the future?

Ms Lavis—We have been working in Aurukun, which is the community that had its first alcohol management plan. The Aurukun messages are clear. The community justice group there is a very powerful group of older people. They are asking that there should be counselling services to support people who are detoxifying from the effects of alcohol. They are asking that their out-station movement be supported so that they can take people away from the community on country so that they can access different lifestyles of exercise and nutrition via bush tucker. They are asking that all government agencies do not turn their back on community and think it has been ticked off, that there is ongoing support for rehabilitation and detoxification and that assistance is provided to the community to manage the issues that then surface once alcohol has been taken away from the community. For example, the school in Aurukun now has a far greater number of children in school because parents are enforcing school attendance. But these are

children who have probably had five or six years of not attending school regularly, so intensive programs to help them are needed. That is just an example.

CHAIR—Is your connection to Cape York Partnerships ongoing?

Ms Lavis—We work as a coalition of regional interests. All the people you will see today work regularly as a coalition of regional interests. Obviously, some agencies, as Michael described, are more focused on the community angle, while some agencies are more focused on the corporate connection angle.

CHAIR—So that is a pretty strong collaboration?

Ms Lavis—It is a strong collaboration. We worked recently, about a month ago, on a strategic direction for us as a regional grouping.

Mr SNOWDON—I have a question on the alcohol restrictions. There is no longer any alcohol available at Aurukun?

Ms Lavis—No, that is not true. You can drink in the tavern between three and seven—

Mr SNOWDON—But there is no takeaway alcohol?

Ms Lavis—No takeaway.

Mr SNOWDON—What about other substance abuse? What about ganja?

Ms Lavis—That is present in the community, and there is some glue sniffing.

Mr SNOWDON—How are the police reacting to the issue of ganja? Is it becoming a substitute for alcohol?

Ms Lavis—I am probably not really qualified to comment on that, Warren. I really would not know how to answer that substantially. I do know that ganja is an issue in the community. It is not something that is coming up as a big issue in the community consultation in Aurukun.

Mr SNOWDON—Is youth suicide an issue, or has it been an issue?

Ms Lavis—Suicide is an issue in every Indigenous community. Again, it is not something that is highlighted particularly in Aurukun, but they do have a lot of friction between their young people—friction at the family level between young people from different family groupings—and it is an issue that has been raised with us quite frequently in terms of requests for health programs or activity based programs that might be able to work with those sorts of young adults. We have also had some fairly strong requests for programs in relation to sexual health information in that community.

CHAIR—You have raised an issue that I take a great interest in: the issue of sexual health and abuse. That is an issue that is not going to go away; it is going to emerge more and more. The

Western Australians have done a lot of work on this issue as well. Can you give us a snapshot of the situation, from your valuable knowledge?

Ms Lavis—Our understanding is that the issue of sexual abuse is very widespread across all communities. One of the concerns we have is that sometimes the media reacts to those things in a way that would not be countenanced in mainstream communities; the issue is perhaps not afforded the seriousness that some of the offences warrant. There tends, particularly in our local media, to be a degree of sensationalism about that sort of reporting. Sometimes the follow-up to that just does not seem to happen, and sentencing is very light. We have women, children and very young children who are affected by sexual abuse. We hear stories which are distressing and disgusting. A lot of them are related to alcohol abuse.

We do have programs that are working fairly intensively on family violence in terms of capacity building, particularly with men's groups. We have quite a successful program which has been working with men's groups for about 12 months and which has recently got another round of funding from Family and Community Services. We want to roll that out in as many communities as we can, working with men to take responsibility for actions in relation to the abuse of women and children.

CHAIR—I guess the leadership issue is quite critical.

Ms Lavis—In relation to health there are some great role models in some of the communities. Some of the older people in the communities are working as health workers in the Queensland health system. There are some amazing stories of people who have gone back to study, have obtained their qualifications and have gone back to their communities to work. There are some important people who need to be used as role models in that regard. Leadership in the field of health can be strong if nurtured. Women's and men's groups can be very effective. We are seeing quite a number of school based committees through AASPA taking charge of some health issues in their school communities. So I think the organisation gets a good vibe. When we have the opportunity to work intensively in communities, we get a sense that leadership is alive and well in terms of health outcomes. It is really a question of not being spread too thin in terms of meeting the demands of those communities.

CHAIR—Thank you very much. We look forward to meeting with your colleague this afternoon.

[11.29 a.m.]

ROEDIGER, Mr Anthony, Boston Consulting Group Project Officer, Balkanu Cape York Development Corporation Pty Ltd

VARNES, Mr Anthony, Business Unit Manager, Balkanu Cape York Development Corporation Pty Ltd

WOIBO, Mr Edmond Willie, Hub Manager, Balkanu Cape York Development Corporation Pty Ltd

WINER, Mr Michael Paul, Chief Executive Officer, Indigenous Enterprise Partnerships

CHAIR—Welcome. Anthony, can I get you to do a three-minute summary of where you are at and, if we get time, we will come back. We will go to Mr Lloyd, who can question Michael and other people he might like to question. Then we will see where Mr Cobb is at. I invite Anthony Roediger to give his contribution this morning.

Mr Roediger—My contribution would be to make a few observations and points in answer to questions. To give you the background, Boston Consulting Group has a three-year commitment to work in Cape York. As part of that commitment, I am up here on the fellowship position that Michael described earlier. So for nine months I am based in the offices of Balkanu, working on various projects around economic development.

In addition to me, a number of my colleagues will come up for specific projects for two or three months at a time. Whereas I am on a fellowship program and go through the salary sacrifice and relocation process for a long time, my colleagues will continue to be paid for by BCG and are placed up here almost as if they were doing a client project. However, on this occasion the client—Balkanu, or the individual community—will cover expenses rather than any professional fees. So that is the nature of the involvement. It goes back prior to the business hub strategy being developed.

CHAIR—In terms of economic development and all that you heard before, can I ask about the main surprises. Tony made a very good, valuable contribution in the sense of telling us about what he would do differently, looking in hindsight over 18 months. There would be some differences and variations—and appreciation. You have been at it for a little while, so can you tell us about your discipline and your experience?

Mr Roediger—With respect to my background, I was a corporate lawyer before I joined Boston Consulting. BCG works generally in corporate strategy. It advises on matters, including starting up new businesses or the consolidation of old businesses, growth strategies and so on. I have acquired that expertise as part of my work there. BCG works on an apprenticeship model, so I have not done an MBA, for example. Half my colleagues will have done so. With respect to the other half, BCG would recruit people from all sorts of disciplines—doctors, vets, engineers—to bring in a balance of expertise to match our clients' industries.

CHAIR—A holistic approach.

Mr Roediger—As to what I have noticed, the main differences that we find in working with Aboriginal community groups or individuals, as opposed to working with corporate clients, is that the engagement model has to be different. With our corporate clients we will come in and do some work and we will have vigorous discussions about what is right or wrong. They bring with them industry knowledge and industry expertise. With the projects we are doing, we need to bring in that industry expertise on behalf of the Aboriginal client, and we really need to work along with them. It is a coaching process rather than an analytical research and discussion/debate process.

CHAIR—I believe Mr Lloyd has some questions for Mr Winer.

Mr LLOYD—Thanks, Chair. Michael, I found your presentation very interesting and encouraging. What I have heard around the table today is certainly quite inspiring, having regard to what IEP and Balkanu are doing to assist Aboriginal communities. In our brief it says that the IEP was established as the first of Balkanu's projects. It says that today the project is financially independent. Is that correct? How has that happened?

Mr Winer—The Indigenous Enterprise Partnerships?

Mr LLOYD—Yes. I take it that it is sustainable. Is it actually generating income, or do you still have to have corporate support?

Mr Winer—We have a basic budget of \$250,000 per annum, which is the operating cost of our office, basically, and some of our board costs. That is through a grant from the philanthropic sector. We do not hire out our services or anything like that, so we rely on the philanthropic sector to core fund us. I think that is very sustainable. We are quite proud of that fact. Our budget to date has been about \$150,000 per annum; it has only just gone up to \$250,000. With that we have delivered about \$15 million of resources. So it is a good sort of ratio.

Mr LLOYD—Do you put out financial statements each year? Who are you accountable to for that money?

Mr Winer—We do not have shareholders. Our board is accountable to ASIC and all those sorts of requirements. We have an audit done each year; people can access our audit statements. This will be our first year of actually financially trading. Previously, in our development stages and when we were setting up and incorporating, Balkanu managed all our accounts and finances—our grants went to Balkanu, not to IEP. We formed out of a partnership with Balkanu and the Body Shop. That formed quite a few years ago, when the Body Shop were working on their Trade not Aid program in Australia, trying to resource tea-tree oil from Aboriginal communities. They found that their Trade not Aid program worked in every country around the world except Australia, and it was failing dismally here. The Body Shop, being the company they are, did not turn their back on it. They thought, 'Let's figure out why.' They started discussions with Balkanu, particularly Gerhardt and Noel. From those discussions there emerged the need for corporate and philanthropic knowledge to come into what we were doing. I just needed to give you that history of how we emerged from Balkanu. However, now we are an independent organisation. We are a not-for-profit registered company.

Mr LLOYD—How do you select projects? If people come to you and say, ‘Look, I’ve got a business idea in a community’—and obviously you get inundated with requests—does it go before a panel? Who says, ‘Okay, this is a good idea. This is going to have some future,’ or, ‘There’s no chance of picking that’? How do you pick winners, and who does it?

Mr Winer—It is really a big role of Balkanu and the business hubs to do that. Sorry, could you repeat that?

Mr LLOYD—How do you select winners, as such, with business opportunities? Is there a board or a panel of people who select the projects that are likely to be mentored and supported?

Mr Winer—I will let Tony follow on from this. Basically, from our perspective, we see that as a role of the Aboriginal organisations. Building their capacity to be able to make those decisions properly is really important. The business hubs and Balkanu set the priorities. But on top of the work we do with them there are priority projects—say, within the partnerships office, within Noel’s program—that are seen as critical by the Cape York leadership, such as the Boys from the Bush program, the youth network or the Computer Culture program. So we will throw assistance into those. They are usually identified by the leadership, with the different business aspirants that go through the business hub process.

Mr Varnes—There are a number of things that we are looking for before we inject a lot of resources and time into projects. It cannot be just the view of the Cairns office. We have to make sure that the people on the ground are committed to actually putting stuff in, that it is not just Balkanu or IEP doing all the work. In terms of capacity building, this model allows our corporate partners—who have a longer history in assessing those issues, certainly in building their own personal capacities, but also the capacity of their organisations—to sort through some of those questions. Picking out which ones we think are worth backing is a collaborative process.

Mr Roediger—To illustrate that point, at the start of the year the people involved from BCG sat down with the people from Balkanu. We have a certain amount of hours, if you like, allocated to Cape York. We said, ‘What are the projects that we should be working on this year?’ Balkanu sets the priorities. BCG has a view about what things we are good at and what things we are not good at, which forms part of the discussion, but essentially the list of projects is determined by Balkanu. Having started, I am now working with Tony, from the Balkanu side of the fence, on what projects might work well next year. But it is the Aboriginal organisation that needs to set the agenda.

Mr Winer—IEP will participate in robust debate. Some of its board members, if they are not confident in a project, will lay their cards on the table and be very clear with the Aboriginal organisations. We have found that, in most cases when people are given information, the decisions tend to be pretty correct. But at the end of the day, it is down to the Aboriginal organisations. I would mention that there are all sorts of interesting things that are coming up in relation to what other projects will work.

One thing we found with quite a few of the initial businesses that were being proposed, particularly by the elders, was there was no champion for those businesses. So we are getting fairly rigorous about identifying who is the champion for the business. Is it just an idea or does someone have a passion for it? All those sorts of things have to be brought in. A business plan

will say, 'So and so's business idea is great and it will be viable' et cetera. But it does not identify whether there is a champion who wants to run this business or whether it is a blue sky idea that will bring all this money in and we will all spend it but there is no-one there to actually do the business. That was one of the big faults with the tea-tree plantation that we found out, too—there was no real champion. There were many people who wanted to spend the great profits from the miracle crop we were going to produce but there were very few people who wanted to roll their sleeves up and farm on that tea-tree plantation. There were some, but they were consumed by these big boards of people who were not willing to do the hard yakka. It is focusing much more on the individual or the family than the broader community or clan because that just seems to confuse the business.

Ms HOARE—What happens then to those people who are left behind, who are not absorbed by this new business culture on the cape and in these communities? Can the government or even the businesses—which are now reaping in the profits—play a role in supporting them or bringing those people on board?

Mr Winer—People who want to run a business are a tiny minority of any population—maybe five per cent, if you are lucky—so there is a large number of people who do not do it. We have exciting strategies in Cape York with respect to education, literacy, health, grog and employment. Without any one of those things being tackled at the same time, the whole lot can fall down. You have only to look at what the alcohol strategy in Aurukun is doing. It is transforming the community, which is allowing business to start to develop. The thing that impresses me with Cape York is that they are looking at these different things. They are looking at a number of what they call 'anchor' businesses—which is the particular area that BCG works in—the bigger employment opportunity businesses. BCG is looking at strategies to put Aboriginal people into the welfare industry—how they get to do the work involved in that \$200 million welfare industry. In the building industry, Comalco have a 35 per cent employment target. That is critical. We cannot look at one thing or another. It is about getting people job-ready.

The CDEP is a fantastic strategy of creating real jobs instead of the usual 'gammon' jobs that go with CDEP. Although its core focus is business development, because we see that as a good way to deal with some of the social problems, and because it is an important part of the big jigsaw puzzle, we are also participating in some of these other areas. We will be helping soon with CDEP workshops and things like that. One other reason why business is critical is that there are not a lot of real jobs in the cape. Business is the only thing that will create real employment—on outstations and things like that.

Mr Roediger—I have some points separate to previous questions.

Ms HOARE—You talk about all the strategies in the cape, including business. Is there an overall coordinating body to stop duplication and to make sure that areas or people are not falling through?

Mr Varnes—In our community there is a minority of people who actually start up and run businesses themselves, and we would expect that the same would be true of other places, but the beneficiaries are people like me and others who work for someone else. Just because not everyone is not jumping in and running their own businesses does not mean everyone will be left

behind or will not benefit from that. A lot of people will benefit from having a more active economy. Regarding coordination, organisations including Cape York Land Council, Balkanu, Cape York Health Council, Cape York Partnerships, and ATSIC are regional organisations that have been set up and are run by Aboriginal people and there is a structural link between us. Someone from ATSIC sits on Balkanu's board and on the land council's board. Someone from the land council sits on our board. Someone from Balkanu's board sits on the land council's board and on Apunipima's board. There is a structured way to make sure that we are not duplicating. At the board level there is an appreciation of the strategies of each of the other organisations. That is in place for those regional Aboriginal organisations.

It is disappointing that Noel Pearson is not here, but the Aboriginal leadership's ability to see the big picture, and the need to work together, is critical to avoid some of that duplication. In terms of the business unit, the fact that there is an alcohol strategy makes me feel comfortable that all the effort we are going to is not going to be wasted—the issues around alcoholism are being addressed as well. Otherwise we could do all this work in vain. But because there are the complementary connected strategies around welfare reform, Work for the Dole, the CDEP program, starting businesses, talking with corporations such as Comalco about getting jobs, Apunipima health, the grog strategy et cetera gives me some comfort that the business unit is not just hanging out on a limb.

Mr Roediger—There are three other coordination mechanisms that work well. There is the regional economic development strategy, which is very high level. It was endorsed by the Cape York land and health summit, which is the second mechanism that brings Aboriginal people from the communities together to endorse high-level strategic directions for the region. The combination of those two gives a legitimacy to all the organisations going out doing what they do, and a goal or focal point.

Mr SNOWDON—Can we get a copy of the strategy?

Mr Roediger—I think so.

Mr Varnes—Another very important document, I think, in terms of those linked organisations is the ATSIC Cape York Peninsula 10-year regional plan that was done in 1995. It was the founding document for Balkanu in that it spelled out that there should be coordinated linkages of regional organisations. From that came the requirement that an economic development organisation be established, and Balkanu was set up in 1996. So that is where some of these organisations, linkages and strategy have come from.

Mr SNOWDON—Are there any linkages to external organisations like the ACC?

Mr Varnes—There is communication with ACC. That organisation was set up by an act of state parliament, from memory. Its formation, constitution and structure were different from those of the Cape York regional organisations. The ACC was set up state wide for Queensland. So there is communication, but there is often some disagreement about strategy and direction, which stems from the different origins of those organisations.

Mr SNOWDON—Is it a dysfunctional relationship? If they have got a different agenda from you, presumably that would create some problem.

Mr Varnes—I am not sure that I want to comment on whether that relationship is dysfunctional or otherwise. There are some programs where we work together well and others where we have to choose to disagree.

Mr SNOWDON—Does that mean that they operate despite you?

CHAIR—Can I interrupt. We have just established a videoconference link with another witness that we had trouble connecting with earlier. We will come back to you shortly.

[11.52 a.m.]

CHEVATHUN, Ms Gina (Private capacity)

De BUSCH, Mr Donald, Representative, Cape York Youth Network, Cape York Partnerships

WINER, Mr Michael Paul, Chief Executive Officer, Indigenous Enterprise Partnerships

CHAIR—Welcome. We are glad to make contact. Would you like to say a few words and tell us how you are going?

Mr De Busch—I am not sure exactly what you want to hear. I am the Cape York Youth Network coordinator. I will talk about some of the work we are doing up here as part of the ideology of Noel Pearson and others towards an economically stable community in Cape York. One of the ways we have done that in Aurukun at the moment is through developing an Aurukun youth strategy. We tried to do stuff before in getting the kids engaged in training, education and other activities, but because we have so many things happening around us it is pretty hard for us to try and get a critical mass of young people engaged in those things. What we have done is develop a youth strategy to create a carrot and a stick at the same time in order to get to all of our young people from 15 to 18 years of age who are involved in CDEP and then have them abide by four mandatory requirements for them to receive their CDEP payments.

First, they have to be in some form of literacy and numeracy training, whether it be in school or on an adult literacy and numeracy program being run in Aurukun. Secondly, they have to be in some form of real training such as training in small motors, light engineering, digital network activities, IT communication, libraries and so on—training that is real. Another mandatory requirement is that they participate in youth enterprise activities. Right next door in the room beside us is an Aurukun youth enterprise DVD store that has started to operate. The kids run the store. It is part of the Cape York youth economy. They will be getting all the young people in to work towards changing the way they think and to engage in economic development.

The fourth requirement involves getting each young person who has signed up on CDEP to put away \$15 of their CDEP and put it into an account to provide a youth resource bank. We start providing our own resources and putting our own money into purchasing things like a dinghy for a youth enterprise in a houseboat project that is coming up. It could be buying their own uniforms and learning how to put their own money on the table to make things work. That is basically what we are doing. We have many young people who are putting away more than \$15. Some are putting away \$100 a week. It is definitely working. It is just a matter of trying to get critical mass and getting the bulk of them engaged. We have the strategy now which is providing the tool for us to do that. It is just a big challenge sometimes to change the way to get them engaged in a new way of thinking.

CHAIR—Thanks very much for that. Can you give us a bit of an idea—you might have mentioned it but I missed it—of how long you have been going? Looking to the future, is it just keeping on keeping on, with some new ideas coming along?

Mr De Busch—The youth network has been going about two years. I have been employed for 13 months of that period. There is definitely a lot of good things happening all the time. There is the houseboat project that is funded by the Department of Families. There are three ways of getting the strategy to work. First, we look at everything tri-dimensionally. By that I mean that we have three different targets of young people in Aurukun and in every community all over Australia. In targeting young people from 15 to 18, within that bulk in Aurukun we have around 100 people in that age group. Of those 100 young people, about 20 of them make up an elite group who can read and write. They are working, they have a work ethic and they have the potential and opportunity to make a change and to work towards it. A big proportion of that group of 100 people—about 70 or 60 young people—are basically sitting around home and not doing much at all. They are the young people we are trying to engage in other projects that we are working towards—for example, things like the DVD store. Then we have a group of young people around the age of 20, young people who are sniffing, and young people who are not attending school at all—young people who basically are just doing the wrong thing.

In doing that we work out how to get the different groups of young people engaged in different projects and all working towards the same thing. The big picture is about engaging in enterprise and changing the way that young people think. I feel that, if we can continue to change the way that our young people think and get back to the way it was in traditional times, when our ideology and our way of thinking were strong, we will win the battle.

CHAIR—That is great stuff, Don. Do you have a diversion program for that really tough area where those kids are in a bit of strife? Do you want to touch on that? Also, if you have one of the young people there, do you want to give them an opportunity to say something to us? Is that possible? Do not worry if it is too difficult.

Mr De Busch—One of the young ladies sitting beside me is part of that elite youth strategy. Her name is Gina and she studies science at Monash. She could probably talk to you about what she is studying and how she sees herself playing a part in Aurukun and in changing the way that young people think in the modern era.

CHAIR—That is much appreciated.

Ms Chevathun—I study at Monash University in Melbourne. I am in my second year of science. When I come back home I get involved with my dad and Jane and Donnie and the projects they are involved in. At Monash I have been trying to organise scholarship funding to send some of the kids from these communities to Monash, where there is a centre for Aboriginal studies. The scholarships are for a diploma course through Monash which will help them to get access to any degree course. So we have been working with the dean of the arts faculty at Monash to try to get some of the kids down there to get an education and get into university, because I think that is very important.

Mr Winer—Gina, have you noticed much difference since the grog strategy started in Aurukun? You have been down in Melbourne studying and you have just come back up; what sort of changes have you noticed?

Ms Chevathun—Everything is much calmer. People seem more together and happier, and the kids are pretty happy. It is just quiet; it is fantastic.

Mr Winer—So you can notice the change.

Ms Chevathun—Yes, definitely. There has been a huge change since we got here.

CHAIR—A great question and a great response; thank you very much. Don and Gina, it is really good of you to do this and we are really appreciative. Does either of you want to say something to wrap it up?

Mr De Busch—The young people can talk for themselves about influences like the alcohol strategy. I know it plays a vital role in the work that I do here in getting them to engage. Definitely a lot of good things are happening. We have to continue to fight to make changes. Thanks so much for the link-up.

Mr SNOWDON—How many positions do you have under the CDEP project for 15- to 18-year-olds?

Mr De Busch—Currently there are about 120 under CDEP. They are positions that would have been there anyway. The Aurukun Shire Council and the Aurukun Justice Group have made those requirements mandatory for young people who engage in those different activities.

Mr SNOWDON—I think it is a great idea. I am just trying to get a handle on where you got the positions from, because CDEP has a cap on them. What does that mean for broader CDEP issues across the cape?

Mr De Busch—I would not be the one to answer that question. We are looking at getting the young people to engage in the youth strategy anyway, like the DVD store next door. We are trying to get the young people to understand effort and reward for work. If by chance there is no more CDEP left, we would use the same methodology to get young people to engage in work because, at the end of the day, they will get paid for it. If they do the work, they get paid.

CHAIR—That is a good comment. On behalf of the committee and the gathering, I wish you well. I appreciate what has happened here. Good luck.

[12.07 p.m.]

ROEDIGER, Mr Anthony, Boston Consulting Group Project Officer, Balkanu Cape York Development Corporation Pty Ltd

VARNES, Mr Anthony, Business Unit Manager, Balkanu Cape York Development Corporation Pty Ltd

WOIBO, Mr Edmond Willie, Hub Manager, Balkanu Cape York Development Corporation Pty Ltd

WINER, Mr Michael Paul, Chief Executive Officer, Indigenous Enterprise Partnerships

Mr SNOWDON—I was having a discussion with Tony about the relationship between ACC and the regional economic development strategy.

Mr Varnes—As I said before, there is no structured link between us and the ACC; nor is there a structured link between us and the Napranum and Aurukun shire councils. However, we work to different degrees on different projects with all the councils in the cape. Our strategy, speaking strictly for the business unit, is not to focus all the resources on the community but to apply to them to individuals and families. We would say the same thing to the ACC as we would to the Napranum and Aurukun shire councils.

Mr SNOWDON—The reason I asked the question is that there seems to be a potential for conflict, not that I want to make a conflict. I want to work out how to resolve different objectives. You have a reasonable economic development strategy, which presumably incorporates all of the cape communities. Did you fund the development of it yourself or did you get the resources to do it?

Mr Varnes—As indicated in the handout, we have some resources from DEWR, ATSIC, DSD and philanthropic sections and contributions from corporate partners.

Mr SNOWDON—What I am trying to get at here is that, if there is an agreed economic development strategy across the cape, I would assume that the ACC would have signed up to it as an objective that they would share. As a result, the resources that they can bring into the cape ought to be used in conjunction with whatever you are doing. That, simply, is why I have raised the question.

Mr Varnes—I would expect that the ACC would agree with the objectives but, no, we have not formed any sort of formal MOU.

Mr SNOWDON—I have one more question. The CDEP question is a very important one. Out of 120 positions, how many are there at Aurukun altogether, do you know?

Mr Varnes—There is a population of 1,400; I am not sure of the exact number of the CDEP work force but I do not think that this program is bringing in any new positions. They are just

existing ones—the same two days a week Work for the Dole program but with some conditions applied.

Mr Winer—A really important principle of the way we are trying to work with CDEP up here is that those young people have helped to decide what they would like to do with work.

Mr SNOWDON—I understand that; I have no argument about that.

CHAIR—There will be an opportunity after lunch to go through all of this stuff. Would you like to think about it and come back with your response.

Mr SNOWDON—I want to get a handle on it. There is a real question there because presumably you want to introduce this across the cape, so people are going to fall off the other end because CDEP positions are limited. I would like to hear what the overall CDEP strategy is for the cape and how you incorporate what I think is a very fine program into something which is limited by the numbers.

Mr Varnes—Do want to talk about that now?

CHAIR—Just a short answer and, if we need to elaborate, we can do that after lunch.

Mr Varnes—I think there are good questions about what happens afterwards. The same question can be applied to the Boys from the Bush project. I am not sure whether you guys have had a briefing on that, but it is a fantastic program that gets people engaged in real, productive activity as part of their daily lives. There needs to be a long-term solution but at the moment parts of the solution are in various streams. It has not all been tied together.

CHAIR—I think we can deal with the regional strategy of CDEP after lunch and that question can be taken on notice. Before you speak to us, Anthony, I want to pick up four themes to prepare committee members and the people who are going to be key players in the session after lunch. Are you going to be part of that, Anthony?

Mr Roediger—No.

CHAIR—Therefore, I had better go straight to you.

Mr Roediger—It might coincide with your themes. There were two major questions that I thought to comment on. Firstly, what should be changed in government to make this different; secondly, how do we get a change in attitude of Aboriginal people. In terms of the change in government, I think a lot of government business programs assume the support mechanisms that exist in metropolitan or even rural Australia, such as mentors and stability and so on that do not exist. So government needs to go back and think about those additional support mechanisms. The whole-of-government approach that you are piloting up in Cape York is a good start to that.

The second major problem is that many people in the bureaucracy feel the need to own a project 100 per cent, and they see that working with another community organisation, such as Balkanu, to deliver the answer is a problem. I think that comes because of the way you measure people internally. You either have to completely own the project or not own it at all, and the

objectives that bureaucrats are measured on and to which they are answerable make it difficult for them to let go of the responsibility to someone else, like a Balkanu, so that is tricky. In terms of getting people to work and changing their attitudes, it has really been about mentoring and time and having the Aboriginal organisation as the relationship holder and broker between the business expertise or the government expertise and the individual person.

CHAIR—Thank you very much for that. I am sorry you cannot be with us this afternoon, but corporate people are busy. Tony, you cannot be with us after lunch either?

Mr Varnes—I can be.

CHAIR—Thank you, I appreciate that. Eddie, are you with us after lunch?

Mr Woibo—Yes.

CHAIR—I want to give you the opportunity to be the last speaker but I want to raise four points, although I do not expect a response. I want to discuss education and the issues you talked about, Michael—and I think everyone has touched on literacy. We have also just heard Tony talk about it as well. I want to understand where you see that.

I want to try to understand our third term of reference about the attitude of government and focus on that a lot more. I think you have made some excellent points and we will have to sift through the *Hansard* to pick them out. I want to focus on that. I will go back to that wonderful picture of the communist ghetto and the way that the Australian community thinks. The Australian community is not homogenous. It has a whole range of views—rural, remote, urban—and I believe that in many of our cities there is a particular view which blocks this as well. There may be a debate about that, and I would encourage a debate about how Australia sees this issue. How Australia sees this issue is important to how we are going to do more about it, in my view.

That will do for now, but I wanted to try to set the scene for after lunch. There are some issues in there and no doubt members of the committee will have other issues to raise as well. Warren's point about the ACC and the regional strategy for the CDEP is quite a good one. Eddie, thanks for being with us and for your contribution this morning. You are fairly pleased with the way it is going at the moment, in terms of the opportunities for the future, aren't you? So could you just wrap up for us.

Mr Woibo—We are pleased with what is happening. In the last 18 months or so we have succeeded in what we were trying to do. Cooktown was the pilot hub so there was a bit of trial and error there. At one stage we thought you could plonk people in business and let them go, but we found out down the track that that was not the way to go. That is why we had these training workshops and camps. They were not only for people who wanted to go into business but also for young people to give them a sense of direction, of where they should go. Businesses came out of those camps. We even had kids going back to school. In that sense, I think we have done our job.

As Michael alluded to before, my disappointment from working in the hub is about how we can get funding. A change of attitude is now happening with government and the idea of

developing the community. That is why we have been working on the CDEP, which we will talk about later. We will also talk about how we are trying to take that community bit out of CDEP and instead help individuals. Even with funding, black organisations like ATSIC and the ALC look at a clan group. Their attitude is that a clan group should be good children out there behaving themselves and, when they are lovey-dovey, they will give them money. It is that sort of attitude. Families of some white people cannot work together so why should the government expect clan groups to go into business together? This is the sort of thing that is crippling Aborigines. If you get a clan member who wants to step out of the square and develop themselves and their family, they are hogtied because we fund the community, we fund the clan, not the individuals.

There has to be a mind shift, not only from on the ground but from above, from the government and the funding bodies. Aboriginal organisations should be thinking that way, but they are not. Things have to change and change for the better. CDEP is supposed to be ownership by participants but that has been taken over. That is why we are trying to bring back the concept of people making their own decisions about how they will run their own CDEP and how, instead of us working for CDEP, it will be working for us—how we can develop it ourselves. That is the sort of thing we are trying to focus on. It is also empowering people.

We need to get away from the community concept, developing community. As far as I am concerned, the hub is all about developing the individual and individual families. De Busch has got a dream, so help him follow the dream. I guess we are talking about mentors here. Through IEP we also have a lady working with us. Her expertise is in tourism. We find that we need a mentor for just about every business. From where we are coming from to where we are going, we will need that person for a while yet. It is working.

CHAIR—Thank you.

Proceedings suspended from 12.21 p.m. to 12.49 p.m.

Participants

AHMAT, Mr Richie, Executive Director, Cape York Land Council

ASPINALL, Mr Richard Edward, Manager, Whole of Government Unit, Cape York Justice Strategy, Aboriginal and Torres Strait Islander Commission

O'SHANE, Mr Terrence Joseph, Chairperson, Cairns and District Regional Council, Aboriginal and Torres Strait Islander Commission

PODBERESKI, Ms Mina, Senior Project Manager, Indigenous Affairs Cape York, Department of Employment and Workplace Relations

QUARTERMAINE, Commissioner Lionel, Commissioner, North Queensland, Aboriginal and Torres Strait Islander Commission

RIGGS, Ms Hilary, Senior Adviser, Indigenous Affairs Cape York, Department of Employment and Workplace Relations

RYAN, Dr Paul-David, Public Health Officer, Apunipima Cape York Health Council

VARNES, Mr Anthony, Business Unit Manager, Balkanu Cape York Development Corporation Pty Ltd

WINER, Mr Michael Paul, Chief Executive Officer, Indigenous Enterprise Partnerships

WOIBO, Mr Edmond Willie, Hub Manager, Balkanu Cape York Development Corporation Pty Ltd

WOODLEY, Mr Eddie Ralph, Chairperson, Peninsula Regional Council

CHAIR—I welcome everybody, particularly the new representatives from the organisations and you, Commissioner, to this roundtable discussion for the ATSIA committee inquiry. We had a pretty productive morning. As someone was saying to me, it was a little disjointed, but we got a fair bit out of it. I am sure this will happen again. I invite you to now make 30-second statements and comment on the capacity in which you appear. We will go from there to try to draw some threads together.

Ms Riggs—As people know, DEWR is the lead agent for the Cape York trial site under the COAG arrangements. I have been heading up the DEWR aspect of the whole of government in Cairns for nine months.

CHAIR—Mina, where are you based?

Ms Podbereski—I am based here in Cairns and recently started as another SES officer. Would you like us to do a short introduction?

CHAIR—Would you keep it very brief? Perhaps you could precis it. We are fairly familiar with COAG, we are fairly familiar with the trial and we have had a pretty good introduction to where Cape York is at. We like to think we have a reasonable picture, so we probably do not need to repeat it. Make your four or five main points as you see them.

Ms Podbereski—DEWR is involved in mainstream employment programs, and those are centred around the Job Network programs, where we assist job seekers to find sustainable employment. In terms of Indigenous employment, we have the Indigenous employment policy, which generates opportunities for Indigenous employment. We also have various programs within the Indigenous employment policy such as the Indigenous Small Business Fund, the structured training employment programs, Corporate Leaders for Indigenous Employment, wage assistance and a number of other programs which we will provide additional information on if you need it. There are two new programs at the moment: the Self Help Program and the Indigenous capital assistance programs, which are just about to start.

CHAIR—Hilary, did you want to add anything? Nine months defines another period too! I am not sure how well you are progressing, but it is pretty exciting. You are enjoying it and getting a pretty strong feel for what is happening. Do you want to make a comment about that?

Ms Riggs—You mentioned that the committee is familiar with the aim of the COAG trials as being to try to improve the way governments do business on the ground with each other and with Indigenous communities. As you know, DEWR is the lead agent for both Cape York and Shepparton. I will restrict my comments to that until there are specific questions.

CHAIR—Shepparton as well?

Ms Riggs—DEWR is lead agent in Shepparton as well.

CHAIR—Sorry, we did know that. Does anyone else have any statements or any comments to make on the capacity in which they appear?

Mr Aspinall—I am presently heading up the Cape York Justice Strategy Unit here in ATSIC. Prior to that I was the network regional manager for the Cairns region for six years and I have had extensive experience on Cape York and in the Cairns region. The major initiative we are pursuing at present is a regional governance model around an Indigenous leaders forum for Cape York, which is broadening the representation that the ATSIC regional council provides and including the significant regional bodies, to assist in policy and program development on Cape York. At the same time we are working with a number of communities on Cape York under the community participation agreement model to look at engendering and growing leadership amongst family and clan groups to assist in the reorientation of the way in which business is conducted on the ground.

Commissioner Quartermaine—I am a commissioner for North Queensland. At the moment we are trying to engage with the state government on a range of issues to try to regionalise, centralise or amalgamate our policies.

Mr O'Shane—I am the chairperson of the regional council in Cairns. Three years ago we set out on a process of regionalisation of our programs. We put in place a living document in

relation to a regional plan. We started developing policies that reflect our regional plan. We have adopted the charter of ATSIC, which deals with the economic, social and cultural wellbeing of our mob. That requires us to put in place a raft of decisions that will lend themselves to that process, and also employment strategies in terms of all of our programs. We need to link the CDEP with the employment strategies of our organisations and have a coordinated approach to our programs. In the process we will identify issues such as school truancy, employment opportunities, social change and a reconfiguration in terms of how we do business.

During this term we want to implement that process and develop a regional plan and policies to such a stage that state and federal governments are prepared to invest in our plan. Rather than having a number of agencies rolling out particular programs for Indigenous people, if governments invest in our plan, we will roll it out as a joint coordinated arrangement and give the best service possible to our community. That is where we are going. We are trying hard. We are not helped by the fact that certain people like Wilson Tuckey make stupid remarks in the paper, endorsed by a number of his colleagues. This is absolutely ridiculous and it just pisses us off a bit when we get that sort of nonsense happening. But that is what happens. Wilson ought to come and look at what we are doing on the ground and get a better understanding and appreciation of what is going on. He will see that Indigenous people can handle money. That sort of nonsense creates racial division because he is prepared to make those stupid statements. If you have any contact with him, you might want to tell him my comments in regard to that matter. I do not know how well you know him.

CHAIR—I know him very well.

Mr O'Shane—Do you? Well, let him know that I am not happy about his stupid remarks, and the same goes for a couple of his colleagues. I am a bit pissed off about that.

Dr Ryan—I am the public health officer for Apunipima Cape York Health Council. I am also the manager of policy and programs. I am sure Jacqui Lavis filled you in on our advocacy role and our origins and so on. I want to reiterate that we have a principal partnership with OATSIS for health and aged care and with Queensland Health to develop the whole area of community health plans. Our focus is preventative health care development and community development. We are very strong advocates for ground-up community control and ownership of their health futures and focus, so that we can have real improvement. It is quite clear that no improvement is going to occur when it is just top-down.

Mr Winer—I am the CEO of Indigenous Enterprise Partnerships, which is a corporate philanthropic network.

Mr Woibo—I manage the Balkanu business hub at Cooktown.

CHAIR—Regional council chair O'Shane has perhaps given us a view about the capacity of ATSIC as a long running organisation in this country, and some of the issues there. Dr Ryan referred to a bottom-up as well as a top-down kind of model. Our terms of reference are to do with how we best get things happening properly at the bottom, and make things happen right through from government—whether it is Canberra, Brisbane or from an ATSIC perspective. There is a real challenge in all of this. My understanding of Wilson Tuckey's view was that it was—

Mr O'Shane—I'm here to stir you up!

CHAIR—No, you have done us a favour. In all seriousness I enjoyed the comment because it is an opportunity just to hook in. Tuckey gets all of us going sometimes. He will not mind me saying this: sometimes when I have disagreed with him he will not talk to me for three months, but that is all right. That is part of the political debate and we should be open enough to accept that. You have done us a favour by raising it.

What I was also trying to point out, and Dr Ryan reminded me, is that we really want things to happen right through: from bottom up to top and from the top down. Call it what you like, but we have got to make it work better. No-one is going to argue with that. From the government's perspective—and Kelly might like to put a view from the opposition's perspective—these committees are not meant to be political and we are pretty much bipartisan in our endeavours to try and understand issues—it is a really important point to work out how the government can do better. That is what we should be talking about today.

I said earlier this morning that the sorts of things that Indigenous Enterprise Partnerships is talking about are part of some of the newest thinking around. It is really quite exciting stuff for many of us to think outside the square and to offer us a new way ahead. We want to talk about that; certainly the departmental people are endeavouring to link into that. And ATSIC is going through significant challenges and changes at the moment. Without getting into any of that, it is important that I try and set the scene in Cape York. This morning we also talked about \$200 million in welfare, 8,000 people: how do we actually create something that Indigenous Enterprise Partnerships, and a whole lot of linkages, is endeavouring to show us leadership through? And what are the linkages with ATSIC?

That is a bit fragmented. We are here to try and move the thing forward. I want to encourage people to come forward with examples. For example, ATSIC has got an MOU or an agreement with the state government—four other states have as well—and it clearly has a link with the Commonwealth which is changing. I think Mr Aspinall mentioned that. Are you a part of ATSI now?

Mr Aspinall—Yes, I am a part of ATSI.

CHAIR—We would like some views about that. We have heard about the COAG trials, but how does ATSIC see its role and how is ATSIC feeling about what is happening at Cape York? That would be new information to most of us. How do you feel it is going in terms of linking across these various issues that are occurring now? It is a pretty exciting time; it is a pretty interesting time. Cape York is right in the thick of it. How is it going?

Mr O'Shane—Cape York is his domain, it is not ours. But before you talk about that I want to talk about the amount of money that goes into welfare. I have got to say, without creating too many problems, I have some problems with people talking about the welfare payments because we are actually talking about trying to alleviate the poverty situation of our people. It gets used in a derogatory manner too often. People talk about the farmers: they get flood relief, they get drought relief and they get fences burnt so they get fire relief. They get millions of dollars for all that sort of nonsense and it is not seen as welfare payments. I think they are actually an

important part of the component, but don't be using welfare payments to Indigenous people as some sort of derogatory statement. I am sick of that sort of nonsense too, I tell you.

What we try to do on the ground here is actually supply a service to our mob, given that our people are in a welfare situation. We try and address the opportunity for education, which gives our people a better opportunity to create employment, and put in place proper housing so we create a better health situation and so our mob are able to go to school; so they can put the fundamentals like bread and butter on the table for breakfast in the mornings so they can actually get to school, or even to put a cut lunch in their school bags so they will stay at school the rest of the day. I understand what you are saying in terms of welfare: they are the facts; you have got \$600 million or whatever it might be in Cape York and that is good. We would ask the question: why should we, in a country as rich as it is, still be in a situation where we are the people with the highest number of recipients of welfare in this country?

CHAIR—That is what we would like to know. We would like to try and understand some of that.

Mr O'Shane—You are asking us the question: 'How do we alleviate that?' We would like to ask you the question: 'Why don't we have our land rights? Why don't we have our native title? Why aren't we part and parcel of the economic development of this country? Why are we marginalised in that process?' Because people like you sit in parliament and do not want to embrace our native title rights and Indigenous people's rights in a proper way—but anyway that is another political argument and I will leave you with Cape York.

CHAIR—Okay, fine, but I think that there are a whole lot of issues. I would like to welcome you now, Richie, and ask you to give an opening statement about where you sit.

Mr Ahmat—I apologise for my lateness. To go on from where Terry left off, \$600 million goes into Cape York every year for services. That \$600 million does not even touch the surface, does not even hit the ground, of what the Indigenous leadership around this area is trying to do. I am not here to offend anybody, but really you have a bureaucratic chain that are so set in their ways that they are not willing to change. If the leadership gets up and it says, 'We have a solution: we think we should go down this path,' bureaucrats will not change. They will definitely never change, because it is their backsides that are sitting on the seats in the offices. They do not want any blackfella to come and tell them how to run their job.

Mr JOHN COBB—They do not want any whitefellas to either.

Mr Ahmat—I do not know about that; I am just talking from a blackfella's perspective. Look, there are a few people in this room who have been in this struggle for a long, long time. There are some changes happening, but they are at a snail's pace. We are saying the key word for Indigenous people in Australia is to take responsibility. We want to take the responsibility, but you have to undo the shackles. We always talk about the shackles—well you have to undo those shackles, because there are enough of us now, who are smart and astute, to deliver for our mobs a better lifestyle, better health, economic development, the range of works, whatever you want to call it. But we are saying, 'Let us take the lead role.'

CHAIR—That seems to be pretty well accepted in the broader community and in the political spectrum, but you are suggesting that the public service is significantly reluctant to accept it. The question then becomes: how do we actually break through, how do we actually break the shackles, as you term it? Give us two or three things, please.

Mr Ahmat—I will give you an example. Last year Cape York negotiated a funding arrangement with the state government, with DATSIP, for alcohol management plans in the cape. An Indigenous health organisation, established from Indigenous organisations to deliver health in Cape York, was at the forefront of this: Apunipima Cape York Health Council. P.D. Ryan works for that mob. There was a handshake agreement between a blackfella and a whitefella in my conference room over there. Two days afterwards everything was turned around. Now what they have decided is to give \$30,000 to each community to do an alcohol management plan.

CHAIR—Who turned it around?

Mr Ahmat—The Queensland state government. Of that \$30,000, \$15,000 goes to a consultant who does a report—it may be a five- or six-page report—telling us what we already know; \$10,000 out of that pays for a hired vehicle. So that is \$25,000 out of the \$30,000 already. The other \$5,000 would be for meeting costs. What is it delivering really? Nothing.

You had an alcohol management plan where a justice group was established in Aurukun. Now Aurukun is one of the safest communities to live in Cape York. It was one of the most volatile places, but because Aboriginal people got up and took responsibility, with the support of Indigenous lead organisations and the council, now the school attendance has doubled. There has been no domestic violence in that community—nothing. Yet although we prove something, we have a handshake agreement; somehow the hierarchy seems to take it away.

Mr JOHN COBB—What was it that you agreed should happen?

Mr Ahmat—We were going to get \$800-odd thousand dollars funded for Apunipima to do the alcohol management plans in the cape. The rapport between Apunipima and Indigenous communities in the cape is very close. Now you are going to bring some other person out into the communities—

Mr JOHN COBB—So the total amount of money was not different?

Mr Ahmat—No, the money was not different—they just did not want us to take responsibility.

Mr TOLLNER—Why didn't all of those groups that got that \$30,000 give it to the health centre anyhow to run the program, if they are as close as that?

Mr Ahmat—You have got to understand the politics. The thinking is, 'I don't like a certain government so I won't work with that certain government.' If you do not like your neighbour or somebody, you will not talk to them. It is exactly the same in Aboriginal communities. If somebody is trying to do something, people will always be there to knock you down—always. Even though some communities are supportive of the alcohol management plan done by

Apunipima, some are not. Those are the ones we have to work with. Those are the ones that are causing the division amongst Aboriginal people.

CHAIR—That is one example. Can we just have a couple more where entrenched blockages are prohibiting—

Mr Ahmat—Tony Varnes may be able to give a couple more examples on the business hubs. I am only talking about the alcohol management plan because I think it is so apparent that we have got to change the way Aboriginal people live.

Mr O'Shane—We have a slightly different experience.

CHAIR—Sure, dive in. We want to be fairly free-flowing here. We want everyone to have a crack at it. We agree that there was a better way to do it—or some people agree that there is a better way of doing it. My colleagues have said it is the same amount money and it just demonstrates that the black way was not accepted. That is what you are saying.

Mr Ahmat—That is what I am saying.

Dr Ryan—I would just like to support what Richie is saying. There was a partnership with Queensland Health, DATSIP, police, liquor licensing, Cape York Partnerships and I think ATSIC that was shaken on and agreed. And it was basically DATSIP who pulled everyone out—other than Partnerships and Queensland Health—and it basically divided the approach, which prevented it from being holistic and therefore in an understanding and a way in which community people can own it. So one thing is happening there but we are not doing all the other things. If you look at the Cape York alcohol strategy, it is a very holistic perspective. It deals with social behaviours and rebuilding of social structures both health-wise and across the health spectrum. And that is not going to happen when they go down their track and leave us here. So the money becomes, in effect, halved. They took their pennies and their cricket bat and went home, basically—they did not want to be a part of us.

CHAIR—Do I dare ask Hilary Riggs: did it come across your table at some point in terms of the COAG?

Ms Riggs—The arrangement that Mr Ahmat is talking about was between the state government and their organisations.

CHAIR—Was there a view expressed or did you observe this sort of thing happening in terms of where the state government may not have been able to meet the communities' aspirations?

Ms Riggs—Of course I was aware that this was going on but it was purely a state government—

CHAIR—Yes, it is their money, their decision. But it is an example of where—

Mr JOHN COBB—You cannot tell us why, in other words?

Ms Riggs—No, I cannot.

Mr O'Shane—In terms of bureaucracy, I can tell you what our regional council and ATSIC have been doing for the last three years, bearing in mind that I have only been the chairman for the last three years. But as a council, we work very consciously towards a partnership between ourselves and the office. With the splitting now of ATSIC and ATSIIS, let me say we had no problem with the separation of powers. We agree with the principle of separation of powers—or good governance, as we like to call it here—and the conflict of interest provisions. We live like that anyway; that is not problem for us. With regard to the assets in terms of the transfer, that is what should happen. But with the splitting of the administration, we would like to see it get back together down the track—

CHAIR—I understand that.

Mr O'Shane—We moved on that straightaway. We have agreed in the office that we will work out a service agreement on what the office can supply to the regional council and what we need to do in terms of the administration. As for our bureaucracy, between ATSIC and our regional council we have a very good working relationship. Richard Aspinall was the regional manager in the last few years that I was the regional council chair. I do not think there has been one occasion—he might think of one, but I can't—when we have had a cross word about any issue at all—none. That is because we actually work on the partnership. The members of the administration sit in when we are doing policy development. When we are doing the regional plan, they understand the spirit in which decisions are made and when we are rolling it out in terms of program delivery they can understand why it is happening.

CHAIR—One of the criticisms, Terrence—and other regional councillors and commissioners and Mr Aspinall might wish to comment on this as well—is that 85 per cent of ATSIC's budget is locked in tight and you have a very small amount of discretionary finance.

Mr O'Shane—We have argued that for 10 years.

CHAIR—Therefore the debate then moves on to how to devolve the authority, and ATSIC becomes more of a policy-forming body than a financial police officer directing it to a degree, even though it is restricted to that 85 per cent. Therefore the issue at the local and regional level, which you people are very much involved with, is this: how do you actually get that decision back to the region? You had your big regional councils meeting a few weeks ago. What is the feeling about getting some of those decisions back to the regions and resourcing things differently and perhaps in a more coherent way, given that these COAG trials are trying to find out how the state and the Commonwealth can work together better?

Commissioner Quartermaine—Having an influence over our quarantine money is not an issue. The issue is whether we can have an influence over other federal departments' policies and programs. Until the federal government or the opposition, whether they are state or federal, are willing to take this step forward and encourage or direct their department to invest their Indigenous programs into our plan, we will be sitting down here for another 10 years going over the same thing. So it is up to you to go back and direct the ministers or the government or the cabinet to invest their programs into our plan. That is how we can go forward.

Ms HOARE—When the regional plan was being developed and you were in the process of implementation, during that process of development what areas did you identify where the plan could be more easily implemented if you had that support forthcoming?

Mr O'Shane—There is a range of issues. There are a couple of things that we do not have carriage of—education and health—but we certainly have responsibility in families and in art and culture and in land—in native title—and in enterprise development and employment. There is a range of issues but I think that if we had a one-line funding arrangement where we had flexibility to move across the so-called boundaries—rather than being funded in terms of a program, we were funded in terms of a strategy—that would allow us to do it. We could have an employment strategy which requires us to do something in the housing area. We took a decision at regional council not to purchase houses anymore but to construct houses.

After that we talked to regional housing organisations saying, 'You can't purchase. You actually have to develop an employment strategy and link that employment strategy to our regional CDEP. If you are doing houses in Croydon, we don't want you to take 10 or 15 workers out of Cairns to go and do houses in Croydon. We want you to take the tradespersons but pick up the crew from Croydon and capacity build in Croydon, in terms of that community, and develop some economics and things like that.'

That also gives them a capacity for the repairs and maintenance that the houses might require 10 or 15 years down the track. So it is all about that sort of thing. At this level in the decision-making area we have to be able to link our programs together. But when you have a program, rather than a strategy, it is very difficult to link it, because you have a CDEP and you have a housing program. We want to have a housing strategy, and the housing strategy would include hostels and other things. We want to have an employment strategy, which would include the CDEP, amongst other things.

This is where you need to get Tony Abbott's department to invest in our regional plan in terms of employment and employment strategy. The program is too strictly identified. You actually stay within those boundaries. If you want to move out of them, if you are looking for a variation or if there is some sort of change of policy, it is very difficult. I would find a lot of scope would become available to us if we did not have the programs as such, or if we had one-line funding for the regional councils.

There are a number of national programs which I think should be devolved down. It would be a bit hard with law and justice, I think, because that is a universal right of people, so it would need to stay there. But native title comes through the Attorney-General—it is not ATSIC's as such. It comes from the Attorney-General, but it is administered by ATSIC. That should actually come into the regions too, because we have a very close link with our native title representative body, or NTRB, which is the NQLC. But land and economic development go hand in hand, and then, in terms of economic development, employment runs together with them. As a result of that, you need to talk about housing, health and education. If we do not have the flexibility to run all of these programs together then we have some problems with it. It is very difficult to develop that coordination if you have programs. We need to actually have those strategies linked together.

Ms HOARE—The priorities in this region would be different to, say, the priorities in western New South Wales. There would be similar issues, but there would be different needs and different priorities. So, however that devolving is done, whether we would do it through COAG or through the regional councils' regional plan, that would still not be one size fits all—it would need to be a different devolution for different regions, wouldn't it?

Mr O'Shane—I have a 30-second response to that and I will leave the others to talk about it. Our priority—which, I think, is a priority the world over—is our youth. What we have to do is ask how we identify a pathway, a process or an environment where they can grow up in a healthy, happy community with proper housing, education and health facilities and which will give them an opportunity to break out of this whole poverty cycle. That is where we need to have that flexibility in terms of our strategy arrangements.

Commissioner Quartermaine—There is one way of getting around it. The state government and the federal government have their basic policies from Brisbane right to the cape. What you need to identify and possibly look at is a regional policy, so that the regional policy suits that region. The federal government can possibly have four, five or six regional policies in line with the regional councils' policies. Instead of having five or six policies—ATSIC policy, federal-state policy, the federal government policy or four or five different policies—you would only have one regional policy, where everyone comes together to deliver that program or those services.

CHAIR—It raises that issue of the COAG agreements again and the linkages with ATSIC. What linkages are there with ATSIC in this process?

Ms Riggs—The lead agents across Australia—in this case, DEWR—work closely with ATSIC. At this particular moment here in Cape York—and I think Mr Woodley referred to it—a Cape York leaders' forum has been established to involve ATSIC and broader leadership. As lead agent, DEWR will be working with that leaders' forum. The Secretary of DEWR has already met with the forum, and Minister Abbott is scheduled to meet with the forum later this month.

Mr SNOWDON—I think there is an important issue here which relates to how you adopt national policies and strategies for regional differences. We had a discussion this morning about NEIS. I think I heard Mina talking to the department about whether NEIS applies up on the cape. We have a program where Michael's outfit plus the Balkanu have these units developing employment, work and small business opportunities, but there seems to be very little relationship with either the ACC or DEWR in terms of NEIS. They put in for a NEIS contract in conjunction with a Townsville outfit and the NEIS contract went to a Cairns firm with no relationships in the cape. How does that work?

Ms Podbereski—We would have to take that question back to the department. We did not get word that you would be interested in this.

CHAIR—That is fine. Can you take that on notice?

Ms Podbereski—Yes. We will definitely get back to you.

Mr SNOWDON—I think there is an important question here. You have a national framework for the delivery of services—that is, employment services, including small business, in this case, but it could be any employment service. We have had this instance in a number of places across Australia, where the tenders have gone out and there is nothing in the tender arrangements which determines that you have to have local knowledge or that you have to come from the local community; you could come from anywhere. In Tennant Creek, the Indigenous employment provider has lost the job and an outfit from Mackay has gone there. You have to start to think about this. I wonder, in the COAG relationship, what is happening in terms of the program definition within the departments to ensure that they take account of the particular regional needs.

Ms Podbereski—One piece of information with which I was provided states that any tenderer who went for the NEIS would have had to show how they would provide NEIS specific programs to the target groups.

Mr SNOWDON—This is absolutely bizarre—and we will have this discussion later—because you have an organisation which has a reasonable economic development plan but which seems to have no great support from government because government is working contrary to it.

CHAIR—Commissioner, I think you made an excellent point about the 85 per cent that is tied, but it is the linkage into the mainstream and all the other portfolios. The question, to me, is: where is ATSIC at across all the portfolios in terms of those programs which are Aboriginal specific? If you like—I will not call it a bid, but for want of a better phrase—what would we do differently across those portfolios? Is there a plan? Is there a policy development? I am not aware of it; you would be aware of where that is at.

Commissioner Quartermaine—There are about four or five committees at this moment, and they are now working on policies—education, health and employment. Once they develop those policies, what they hope to do in the next month or two is to contact the ministers and try to get an investment into those policies.

CHAIR—Mr Snowdon and I have had a thing for years about the building which Terrence O'Shane has referred to—the CDEP building capital funding linked to an employment program. We have talked about this for God knows how long, and why it does not happen in a stronger way is beyond us. No doubt there are all sorts of reasons, but we are at a loss. I have been around for 10 years and Warren has been about a little longer in terms of parliamentary service. We are very alert and very aware of the sorts of things you are talking about and how you resolve things at a regional level. Probably ATSIC, in its own way, suffers the same as we federal parliamentarians do from the Canberra phenomenon and why certain things do not happen.

I want to leave that there for a bit and quickly ask Michael to say a couple of words about this morning and the linkages across to ATSIC—and limit it. You go into a specific area and you give us a view about the discussion we have just had and how that assists or does not assist in what your partnership group is endeavouring to do. You have a different role and you have a different focus, I know, but you might like to make some comments about the conversation in terms of what is essentially a political organisation as well as dealing with the difficult blend of a regionally appropriate policy and the national policy. Working in the cape, you can see it from the outside and might be able to offer an insight, and I want to encourage other questions.

Mr Varnes—I do not know whether I can offer too much on that. One of the good things about working in the cape is that it has a lot of strong regional organisations. We focus our effort and channel through specific parts of those organisations, and it is really then the role of, say, Balkanu and Partnerships, which are our core partners at the moment. But there is a good crossover, as you heard, between the boards and so forth, so it is really up to those organisations to prioritise. I guess the key thing for IEP is that we are trying to perform by best practice, in a sense, or setting an example by backstopping the Aboriginal aspirations, rather than running around and doing our own thing.

I do not know how many times I have seen in the cape agents from this government department or that government department running around the cape and almost trying to manipulate the politics we have heard about here today, the politics in the community. It has been causing ruptures within the progress that the Aboriginal peak groups are trying to make. What we are trying to do is not engage in that, not replicate those mistakes many people made in the past in the way they engaged with the community organisations, but to do what these guys are calling out for, and that is really recognising the strong Aboriginal leadership in the region, backstopping it, supporting it and helping build the capacity of those organisations that are run by the Aboriginal people so they can manage what is a massive task. I do not know whether that quite answers your question.

CHAIR—I think what it does is clarify where you fit in the picture. It does not address the question because I do not think it is your role necessarily to address it, but I think you might have been able to offer something on these regional differences from a national perspective in that you are particularly regional yourself, and how we deal with that. We have had some ideas here about how we could deal with it and I was going to do Tony in a little bit to see whether from a corporate management perspective it is not beyond us to have different regional plans doing it slightly differently and meeting those needs. It should not be beyond our wit to be able to do it.

Mr TOLLNER—I am continually hearing this line about self-determination. I think Mike spoke this morning about ghettos and how we need to devolve power down to the communities and allow people the ability to determine their own futures and empower them. I am interested in your comments, Mr O'Shea, as to why you would be so opposed to a bottom-up approach to government funding communities directly rather than through bureaucracy.

CHAIR—We will come back to that, but my question was on regional differences in a national policy and I was looking for corporate principles, regional differences as a general principle. It does not matter whether it is Aboriginal, black, white or brindle; it is these principles of corporate governance which actually say, 'We can allow regional differences within policy.' What are the principles, from your experience?

Mr Varnes—I do not want to put myself up as some corporate expert either and I think the question is perhaps beyond my experience as well, but one of the issues that has been around the table here is that we have set up a regional base of business hubs, which we have discussed this morning, and there has been some difficulty in getting all parties, whether that is government departments or other organisations, to actually put their shoulder to that strategy. Richie was asking about other examples where an organisation has tried to take the lead but has not been fully backed in responsibility and the idea has been taken back. An example of that is with the

business hubs. There is a lot of funding that has gone to the Department of State Development based on the arguments that Cape York people are putting. Budgets for government departments have increased as a result of that argument, not the budgets going to communities. If Richie wants to put on the table a more comprehensive list of that, we can actually show some dollars on how much government department staffing and budgets have increased specifically focused on Cape York, not the funding going to the community organisations, even though we have put our best efforts into coming up with a solution.

CHAIR—If I keep trying I will find oil. That is an excellent point.

Mr Varnes—I am not sure how exact we can be on the dollars, but we can see that there is increased—

CHAIR—These are principles that you are talking about.

Mr Varnes—There are other examples around land management processes. There are property planning arrangements; it is not just around business. One of the arguments that gets put up by the departments about why they are not going to focus and back your strategy 100 per cent is that not 100 per cent of the Cape York people will support Cape York Partnerships, not 100 per cent of people will support the land council et cetera, and they insist on their position to manage that. Even though Peter Beattie is not 100 per cent supported by Queenslanders, they insist on their right to hold the dollars and perpetuate those politics of division by dishing out a bit here and a bit there.

CHAIR—Nothing could ever be indicated as having this perfect support that they are asking for.

Mr Varnes—Richie and others commented earlier that the solution requires some people to actually let go or change their functions. Without that, I think that the challenge remains. The commissioner and the chairman of ATSIC are facing that as well.

CHAIR—We are starting to get the picture. Richie, would you take on notice to get some of that material—after getting agreement from everyone that you need to—about the understanding that you talked about?

Mr Varnes—I am happy to put that to—

CHAIR—They are excellent examples of this justification exercise, and why and wherefor. Michael, do you want to add anything?

Mr Winer—No, other than to say that from IEP's perspective our corporate partners really like the efficiency of a peak organisation. It is their responsibility to deal with the other Aboriginal organisations. That way, with the business hubs, we can put people zap, bang, straight in there, without layers and layers to go through. That is how we maximise that community resource arrival. I guess in the first few years we have probably focused fairly strongly on building the capacity of the peak organisation, but that is done; and now we are seeing that the resource layer is pretty much—I would say 80 per cent—hitting the community and 90 per cent the Westpac secondees.

Mr Varnes—This model of getting secondments from the corporate sector has meant that we can do tenfold what we would have done otherwise. We are not asking them to come in and maintain all these relationships. We have said, ‘Come in and do the specific piece that you are good at.’ Hopefully, that is a model that does not perpetuate dependence on those secondees coming in.

CHAIR—David, do you want to go to the bottom-up question? It probably fits that. Do you want to paraphrase the question?

Mr TOLLNER—You are aware of what I was asking.

Mr O’Shane—Funding.

Mr TOLLNER—My question was more along the lines of the reason for your opposition to a bottom-up approach rather than the traditional top-down approach. You made a big statement at the start that the Tuckey submission to the ATSIC review was not helpful. I am just wondering what your opposition is to that proposed bottom-up style approach.

Mr O’Shane—A half a minute analysis of what he said will indicate that it is fundamentally flawed. Wilson Tuckey wants to fund directly into the communities. People want to listen to what people are saying. Richie made a very good point. It would not matter if you gave people iron bars, gold bars—‘Iron Bar’ Tuckey, you see—every day of the week, they would still be opposed to some of the stuff that you are doing. That is the way it works.

CHAIR—That is right.

Mr O’Shane—They might have had 27 housing organisations in Cairns. We do not have the dollars, the resources, to service every one of those organisations, every year. How can they put in place an employment strategy? How is that house going to benefit? The only benefits are in terms of your social arrangement. It creates no employment. It creates no change at all in the economic or social standing of that community.

We actually had to bring those things together. We had to develop economies of scale in terms of doing things. At the end of the day we are elected by our community, from the grass roots. We are part of the grassroots movement. So we are part of that community that you are talking about servicing.

Mr TOLLNER—We can say the same thing as politicians, too. We have still created these monolithic bureaucracies around the place. All over the country people have concerns with various aspects of government.

Mr O’Shane—Let me tell you this: the government does not have the wherewithal in terms of finances to address the poverty within Indigenous communities. So we have to link ourselves together to try to address a number of those problems in a coordinated way. Richard made the point very clearly—otherwise you get those jealousies and create divisions. If we talk about native title, we had the devil’s own job in bringing the parties together here in Cairns. They had been fighting for six years. We had to go out and tell them, ‘You need to collapse the claim. There will be no more dollars going into that program. Hundreds of thousands of dollars have

been wasted. Stop this nonsense and get together.' I said, 'You won't get any more funding until such time as you get together as mature people and address it.' So if you want to fund the communities, those are the sorts of personalities and jealousies that reside in our community. But how do we actually work through it? What capacity building will governments put into those communities by funding them directly?

In terms of our arrangement we are trying to develop capacity in our community. Part of the conditions of our grants now will be that all boards of directors will attend good governance courses run through TAFE. That shows our commitment to capacity building. So they will actually start to make decisions in the right way; they will know how to take notes and deal with dollars. That then translates out into the community much more broadly.

CHAIR—With respect to the bottom-up principle—whatever it might mean to a lot of people—a lot of people believe in that. I believe it has merit to be looked at and considered. How you get there is certainly part of the debate, but make sure that the money gets to the people and is available in the most effective way. Surely, we could not argue about that. That is what I heard David say, in terms of the challenge that faces all of us.

Mr O'Shane—I just do not believe in that. That just exploits the ignorance and the poverty—

CHAIR—But you would have to believe that we have to get the maximum dollars to the people out there in the community, at the grass roots.

Mr TOLLNER—Someone mentioned this morning one of these fellows who, in a business sense, had been talking about businesses for nine or 10 years. He had five or six ideas. Somebody told him to focus on one. He just could not get to the line. When somebody rang him up and said, 'Look, there's a bunch of tourists coming up, take them out,' that was enough to push this fellow over the line to where he got his first customer and started in business. I am suggesting that people will only become empowered if they are given the tools to do that. If you always have a bureaucracy saying, 'This is the way you should do things,' you can always lead a horse to water but you won't make it drink. It is only when you actually say, 'There you go; there's your resources'—

Mr O'Shane—But is your implication there that we are part of the bureaucracy—that the elected arm is part of the bureaucracy?

Mr TOLLNER—No, but ATSIC itself is a big bureaucracy. I am not suggesting that the elected arm is part of that bureaucracy.

Mr O'Shane—I thought I made myself very clear in terms of the relationship that we have with the administrative arm regarding service delivery. That will be in line with the regional plan, policies, strategies and outcomes that regional council identifies. That identification comes as a result of our consultation with the community. So that is very important. There are a number of issues for us here in terms of what is said and what the ramifications are. If you talk about direct funding to your communities, does that mean we take away the structure of ATSIC? If we take away the structure of ATSIC, I would have real concerns about that. We need to have an interface at the political level, at the state level and the national level, and there needs to be an opportunity for elected representatives to go to an independent forum, such as the United

Nations human rights commissioner, to have things addressed at that level in situations where there might be abuse of our rights by whatever government is in power at the time.

Governments of this country have signed up to international human rights, and we need to have the right to go to that forum to raise these issues. When we talk about funding individual communities, we take away that structure. That then leaves us in a much poorer position than the one we are already in. We have fought for a long time to get some place where we can raise the issue of fundamental human rights in this country. If you take that away from us, we might as well not be around. That is an absolute nonsense.

Mr TOLLNER—How is it dissolving human rights? We—

CHAIR—We need to draw to a close. There is time for one last quick response from the commissioner.

Commissioner Quartermaine—If you are going to fund the community, who are you going to fund? Which family group are you going to fund?

Mr TOLLNER—That is another issue.

Commissioner Quartermaine—This is at the root of what you are talking about. If you go from the bottom up to the community, who is in charge of the money? Which family?

Mr O'Shane—That has not been thought through. That statement was made, but it has not been thought through.

Commissioner Quartermaine—If you give the money to one particular group, you are going to have all-out war. You are not going to solve anything.

Mr TOLLNER—One point that I will make is that this committee has been to a lot of communities, and I have personally been to a lot of communities as well. Practically everywhere you go the story is the same: 'This community is not getting its share of the pie'. There is not enough money getting through the labyrinth of the bureaucracy or bureaucracies. Irrespective of what departments are involved, ATSI or other government departments, their complaint is that there is not enough money hitting the ground.

Mr O'Shane—There is not enough money in the government to address all the disadvantages within the Aboriginal community. Take Apunipima for example. If you wanted to fund each and every one of those communities to address the health needs of the entire Cape York region and link all the other agencies into it—because you have to link the other agencies into it—how would you do that? You could not do it the way you are proposing. Half a minute of analysis of what was said would find that it is fundamentally flawed. It is an absolutely nonsensical statement. I do not care that Wilson Tuckey might be your mate; it was an absolutely nonsensical statement. It does not go anywhere near addressing the reality of how we work on the ground. It is bullshit.

Mr Ahmat—This submission—which has your names on it, Mr Tollner and Mr Wakelin—says:

The fundamentals of Aboriginal culture creates significant difficulties for Aboriginal people to administer public monies in the fair and prudential fashion required by Australian taxpayers.

You, as politicians, are saying this. I gave an example earlier about Apunipima and the grog and health strategy costing \$30,000. What has it delivered for the blackfella? Zero! Yet you still want to persist with the way you are going.

CHAIR—You should probably find a federal program rather than a state program.

Mr Ahmat—You are saying there should be a bottom-up program. That is what you are saying in this submission. That is exactly what we are opposing. The money goes to the regional office of ATSIC—there is separation of power—and then it is distributed by the elected arm. They say where the money goes.

CHAIR—That is fine. I appreciate that. But we have a responsibility to address the exact issues that David raised. From the community level, how do we address those people who are saying, ‘We’re not getting a fair share, a fair crack at it’?

Mr SNOWDON—I think there are a range of issues. Richie has outlined the difficulty with the Wilson Tuckey letter. Anyone who could put their name to it needs their head read, I think. Nevertheless, arguments about direct funding models have historically come from ATSIC, Aboriginal communities and Aboriginal organisations—including health services, legal services and educational outfits—for the last decade. There are any number of proposals for how to fund directly—for example, through regional organisations or through organisations such as ATSIC. Those proposals are there, but the difficulty is—and if you read the Grants Commission report, which I brought with me, you do not have to work out where the problem is—that there is no bloody money.

One example is education. I think that we as a committee—and indeed the government and the opposition, the parliament—have to come to terms with this. Of the total amount of education funds spent nationally, less than one per cent was for Indigenous-specific education programs. What is the biggest problem in most communities around Australia? Education. If you do not spend the money you will not get the outcomes. It is no good blaming Aboriginal people or Aboriginal communities; you have to accept that governments have a responsibility to provide the appropriate amount of resources to the right places. And, as this document clearly says—and I reckon it is not a bad little template for working out what should be done—no decisions should be made without the full participation of, and negotiation with, Indigenous people. That is very simple. Yet this letter here argues that there should be a trust set up because Aboriginal people, because of their Aboriginality, cannot responsibly administer funds. How bloody absurd is that! And, Mr Tollner and Mr Wakelin, you put your names to it!

Mr Aspinall—I would like to outline the framework that the Cape York communities are putting together to try and deal with the issues of regional based planning and investment, and community interventions. The idea of bringing together a leadership forum that covers off all the major regional organisations—Balkanu, Cape York Land Council, Apunipima and the Peninsula Regional Council—is to start setting some standards and policies around particular interventions such as grog, family violence and other areas of major concern, establishing benchmarks for change around those and evaluation points to measure the effectiveness of interventions, with a

view to a longer-term investment plan for the region which looks at some key issues of intervention. It is intended that there will be a mixture of locally based and designed interventions on the ground, or more regionally based interventions where regional organisations are better placed to do the work—such as the grog strategy. The idea is that, through the two-stage approach, the community's capacity will be built with the interface with the regional organisations, and the community will start to take responsibility for some of those outcomes, particularly for the welfare to work strategies that are currently being rolled out, the economic and commercial activity that the business hubs are engendering and also some of the work we are doing around community participation agreements. The two are not mutually exclusive—there are issues that can be dealt with regionally and issues that can be dealt with locally.

Mr SNOWDON—What is the relationship between ATSIC, the Queensland government and the federal government on housing funding?

Mr Aspinall—ATSIC signed a bilateral agreement with the state government, which has established a joint planning group, a JPG, which jointly plans the roll-out of Indigenous based housing across the state.

Mr SNOWDON—Is it a majority Aboriginal board, like the one in the Northern Territory?

Mr Aspinall—Yes, it is an Aboriginal majority board.

Mr SNOWDON—Does it come from ATSIC?

Mr Aspinall—It comes from ATSIC and also non-government sector Indigenous housing in Queensland.

Mr SNOWDON—Does it allocate all government funding?

Mr Aspinall—It allocates all government funding, including state funding as well. It has nominal pooling, not actual pooling.

Mr SNOWDON—Is the money kept separately?

Mr Aspinall—Yes, that is right. The intention is that each of the ATSIC regions will have an investment plan around housing infrastructure as part of that planning regime.

Mr SNOWDON—Going back to the regional planning exercise, in the early 1990s every ATSI community had to have a community development plan—consultants were going around developing community development plans—and regional development plans were developed as a consequence of that exercise. Has that continued?

Mr O'Shane—Yes. Regional councils have regional plans. Some have regional plans that are not living documents and some have regional plans that are living documents. I think a lot of planning was focused on the government's programs rather than on the aspirations of our communities. What we have done is develop a regional plan by having community consultation to identify and bring forward the aspirations of our community. We talked to all the other agencies and then we had interface and so on.

Mr SNOWDON—So it is a living document?

Mr O'Shane—It is a living document.

Mr SNOWDON—Will it be reviewed on an ongoing basis?

Mr O'Shane—Every 12 months it will be reviewed, and it can be amended. Where there is a sticking point, where things are not deliverable in terms of the plan and where we identify an impediment, we need to change the policy or the plan to overcome that.

Mr SNOWDON—Does this COAG exercise incorporate this regional development plan?

Ms Riggs—As I mentioned before, we are certainly aware of that. The work we are doing with the leaders forum is in early days yet, but we will make sure that we are aware of the priorities in those plans.

Ms Podbereski—In addition to that, as part of the COAG, we have a group of federal public sector organisations that are working together to try to break down some of the issues brought up today about different policies and different formats. So if there is a particular project being developed, all the federal public sector organisations will look at how we can feed into that to provide a more uniform model so that you do not have Health coming in and DEWR coming in.

CHAIR—Do you think in terms of state as well? Certainly COAG do, but do you?

Ms Podbereski—Ms Riggs has recently moved across to sit in with the state government.

Ms Riggs—I have an office in the Cape York Strategy Unit, which is a state government office. We have not yet signed an MOU, but we are developing one between DEWR as lead agent and the Department of Aboriginal and Torres Strait Islander Policy, Queensland, as the lead agent in the Cape York trial site so that we can progress that issue of working better together. Simple things like trying to dovetail visits together and trying to make sure that communities are dealing with government issues are—

CHAIR—So you are walking the talk.

Ms Riggs—Yes.

Ms Podbereski—Definitely.

Mr SNOWDON—But if we go back to the earlier discussion, part of the problem appears to be that the program definition is not flexible enough to allow for incorporation of these planning proposals. I think the NEIS is a very good example. Here you have a very active organisation developing business plans and trying to set up 40 or 50 small businesses—

CHAIR—I think we have finished on NEIS.

Mr SNOWDON—Yes, but I think it goes to the very question of the program guidelines and how flexible or inflexible they might be.

Ms Podbereski—I think the Indigenous employment project guidelines are extremely flexible. For example, Balkanu is funded through the Indigenous Small Business Program. It provides substantial funding—I cannot remember the dollar terms but it is fairly hefty—to support Indigenous communities to develop business plans, and it provides other sorts of support. There is the new self-help program, which is in its pilot stage in the Cape and which the department will fund on a grant basis of \$5,000 to individuals who want to start businesses. That will be supported through additional assistance with business planning and networking. So there are myriad funding proposals. The departments have got such a flexible model—the structured training employment programs also fit into construction or whatever and meet community needs.

Mr JOHN COBB—My beat is western New South Wales so I do not pretend to have any knowledge of what happens here in the Cape, or to be a guru on western New South Wales either. What I see with the delivery of programs—it does not seem to make much difference whether the program is at the local level or the regional level—is that everybody can get together to determine a policy but the delivery is a bit different. My question, especially to Richie, Terrence and Eddie, is: how do you feel about the separation of policy and the administration of money? It seems to me that we have an enormous breakdown there. I would just like your opinions about separating the actual delivery of the money and the policy of determining how it should be spent.

Mr O'Shane—First of all, the idiots on the commission who did not want to accept the good governance and would not make a decision—

Mr JOHN COBB—No, please—

Mr O'Shane—I'm telling you something.

Mr JOHN COBB—I don't want the politics of it, I just want—

Mr O'Shane—Let me tell you. The chair sat down in a video conference and we endorsed the good governance provisions. The commissioners met a day later and then just said, 'We have in principle.' So the minister moves on them, and quite rightly—why wouldn't he do it? But I have real problems. ATSI/A should be a body without the administration and the elected arm together. But in terms of the separation of powers, we endorse those things—we don't have any problems with those things.

CHAIR—You have made that very clear.

Mr JOHN COBB—I would love to hear what Eddie and Richie would say to that as well.

Mr Woodley—We viewed what was coming down and we accepted the separation of powers, mainly because we wanted good practices. We had been experiencing bad things from government for the last 10 years, mainly because of how things had been structured up at Cape York in DOGIT communities, which restricted us from all sorts of powers to be citizens of this country. We have suffered a lot of overlapping issues funding-wise. It is a nightmare. We are dealing with three different levels of body—the Commonwealth, the state and our own Aboriginal coordinating council. Here we, as ATSI/A elected people, are trying to make the most of CDEP programs. The dollars that we get we try to share out through the communities. It is just a nightmare.

Because of the way things were happening at the commissioner level and stuff like that, we have elected to have the separation of powers, and the administration arm looks after it. That is no problem for us, because we have been following that practice for my term. Anyway, we have looked at a new structure at our regional organisation—that is, my council—and it is what we call a leaders group. We came up with a structure. We have had Dr Boxall here a few weeks ago and he had a look at it. He likes the concept. We are sick of talking to different people. We want to talk whole of government. That is why we have a meeting set down for a couple of weeks time in Coen, heart of the North, with Minister Abbott coming up.

CHAIR—Ms Podbereski is nodding; she is familiar with it.

Mr Woodley—We want to do business. We want to ask where the dollars are going. As for this business about the state not funding our Aboriginal communities as they should to carry out local government services, all these things impact on us. The Commonwealth dollars have to be used from our CDEP program that should be used to train our people and give them a window of opportunity. The dollars are used to plug the gaps that the state are not plugging. These things need to be highlighted and addressed. We can get into enterprises. We have enterprise opportunities to tap into tourism and whatever, but we are faced with these stacks of duplication.

CHAIR—Yes, it is very important to move to a better structure. Richie, would you like to respond to John.

Mr Ahmat—Regarding the separation of powers, I think this area resolved to support the minister's decision. On this occasion, both regional councils endorsed the resolution to support the separation of powers. We have been going nowhere with the board of commissioners. If your area does not have somebody on the board of commissioners who is willing to speak out, your area is neglected. We do not have to go back through all the paper reports now. Everybody knows that. If you do not have a seat and somebody battling for your area, you miss out. We talked about funding for housing earlier. My brother over there—Mr O'Shane—said that, if a building team of tradesmen go to Croydon, they employ Indigenous people there. At Cape York last year, they asked for tenders to build an information centre in Laura. Two organisations, with assistance from ATSIC, brought traditional owners together to endorse the building of an information centre at Coen. An Indigenous organisation put in a tender to build the complex. They had a rapport with the people. In their tendering process they talked about employing local traditional owners. They did not even get a look in. It was given to a group of companies outside of Coen and Cape York. They know nothing about Cape York, yet they won the tender because they know somebody in Q-Build. This is the rubbish that we have been putting up with for so many years.

Mr JOHN COBB—You could have it out with the New South Wales—

Mr Ahmat—This is what we are saying. We talk about employing Indigenous people. If you live in a community and you are not on a CDEP, there is nothing else for you. There is no economy in any community. The leadership have to find the opportunities. Picking a round figure, maybe five homes are built in 16 communities in Cape York every year. We have been fighting with the state government about creating a Cape York construction company. There are a lot of Indigenous tradespeople out there who can build a home. When that group of people go to build eight homes in, say, Kowanyama, they employ local Indigenous people to assist with the

building. People's self-esteem gets lifted. They say, 'My uncle or cousin built this home. We are not going to damage that.' That is because that is our tradition—you look after one another. We have resources up in Weipa. They clear away 500 acres of timber every year for their mine. Why are we not utilising that timber to build trusses and walls? Semitrailers roll over Cape York to the other communities to build these houses. Q-Build can build one home for \$200,000. We can build three homes for the price of two, but nobody is willing to let the shackles go. I do not know what is going to come out of this meeting today, but I think we have been put under the microscope enough now. Indigenous people are telling white Australia, 'Give us a go. Let us look after our own affairs. You are there with the backup and the support.'

Dr Ryan—If we look around this table, most of us could say we will be here in 20 years time, but I am not sure about our Aboriginal and islander brothers and sisters, because they have a greater propensity for chronic diseases and have a shorter lifespan than we enjoy. I think health becomes critical to all this happening. I really believe we need a totally different mind-set. We are still, in many ways, talking about government or whitefella ways of doing things, whereas we need to look at it very differently.

Also, with the mental health background I have, I get very concerned about the social and emotional wellbeing component of all this, which I think is critical. If we do not tackle health, people are not going to be interested in their education, their police services or their strategy or anything. They will not be able to get behind their ATSICs or their Cape York Land Councils unless we can give them fundamental good health. We really need to look at a way in which people can identify with what they consider to be good health processes and pathways, not what we tell them. We do not need to put more services in, because there are always one-off grants. I have got a three-quarters of a million dollar grant from FACS but it only goes to 2005. It is only therefore going to be short-term and not sustainable unless it becomes recurrent funding.

We are always doing this. Yet we need perhaps to do things like Richie and Terry were talking about; that is, building people's capacity to own these things themselves—not ownership in the sense 'I possess this', but 'I identify with it and it is mine in that sense, so that I can create and rebuild my society.' That is one of the core elements of our grog strategy—to rebuild that whole core of self-esteem and identity.

We as whitefellas need to listen to our Indigenous brothers and sisters talk about the land and the spirit, because it is so much a part of them. We in Western society have forgotten those sorts of roots and therefore have forgotten a lot of things about how to build families and how to renew ourselves in our societies. But we are not going to have our brothers and sisters in Indigenous country unless we do something about their health. And it is not just them doing something about their health—it is a partnership with all Australians. We have the men's conferences coming up in September and I have manipulated it so that the mainstream one comes under the banner of the Indigenous one as well, because mainstream men need to identify with Indigenous men to work with them for health improvement.

I will give you a good example of what I am getting at. We have a lot of young men suiciding. We are not going to stop Indigenous suicides by putting in more mental health professionals. We reduced cardiac issues, for example, in this country not by having more cardiologists but by health literacy—change of diet, more exercise, more awareness. The cardiologists help manage it better. We could put lots of shrinks in Cape York but it would not reduce suicide. But if we raise

what I call the personal wellbeing index—that whole thing of a man or a woman being able to have employment and enjoy the benefits of family and of culture and of life across the spectrum—then we will reduce suicide.

It is the same with health. And we are not going anywhere. One of the things we also need to do here is to help our own Indigenous people capture what is really theirs, and that is their language. Edward I destroyed Wales not by conquering it with soldiers but because he took away the Welsh language. He controlled it and they lost their identity. They have not had a Prince of Wales who was native-born since the late 1200s. We have done that to our Indigenous people too—we have destroyed their language and their history. It is in museums all round the place. This is a very broad issue. It all impinges on health. A lot of these people cannot identify who they are because they have lost their language, they have lost their ability to know their history. We have destroyed it. That impinges on their health because it impinges on their self-esteem. Their self-esteem is destroyed.

CHAIR—We are but mortal, and you remind us of that. Richie asked a fair question: what can this committee achieve? You are asking us to see it in a whole-of-life context. What I will put to you now may be a little bit dismal but it can be very positive: this committee has a limited opportunity to communicate with the executive—or whoever may listen to it—about the ‘how’ of the next five or 10 years. That is the limit of what we can reasonably expect to achieve. In terms of the health issue and how it connects and how it does it differently, the more complex we get, the more it will get lost.

In all of this—it is difficult and harsh and all the rest of it—I believe all we can hopefully achieve is the ‘hows’ in about two, three or four major areas. One ‘how’ is not only how the government needs to do it differently—and that is the Public Service as well as the politicians—but also we need to take the shackles off Aboriginal people so they see it differently as well. There are challenges there for all of us. It is the ‘how’—if you can say the ‘how’ and give us the guidance, we have a better chance of doing it.

Dr Ryan—I agree. Health literacy is needed on both sides of the fence.

Mr JOHN COBB—Do you have the ‘how’ of what you are saying?

Dr Ryan—One of the things I know is that, because we do not employ enough Aboriginal health workers, we do not empower them. For example, in my area, they could take the clinic outside the four walls into the homes. We could control diabetes very easily if we were able to get health workers to do that. If we could employ them, if we had a sufficient number of them and if we had a good career pathway for them, diabetes could drop like that. They have tested it in New Guinea.

Mr JOHN COBB—Don’t you have any Aboriginal health workers?

Dr Ryan—We do not have enough. We have very few men. A lot of Aboriginal men will not go to a woman.

CHAIR—Are you saying that you do not employ them directly?

Dr Ryan—No, we do not. Queensland Health—the state—does it. It does not have a good enough career pathway and it does not empower them for various reasons—the poisons act being one of them. In the early eighties we had a very good health worker system here. When they regionalised it, they destroyed all the capacity of Aboriginal people who were looking after things like failure to thrive in babies. With all those issues now, we are 10 years behind where we were at the beginning of the eighties. You just have to ask some of the good public health physicians around here who worked in the cape. Health worker empowerment is an issue.

Mr Ahmat—P.D. is talking about health; where I come from I am talking about alcohol. Judy Spence made an announcement I think a month ago about \$2.8 million being invested into four or five communities in Cape York.

CHAIR—Judy Spence is the state Minister for Aboriginal and Torres Strait Islander Policy?

Mr Ahmat—Yes, that is right. Some \$2.8 million is put into healing centres. That money could employ 10 blackfellas. If the decision were, ‘Take away the alcohol,’ you would not need the healing centres. The source—the alcohol—is there. But, no, we go about this in a roundabout sort of a way. If ever an issue like this gets raised in cabinet, they say, ‘We’ve put so much money into healing centres.’ Forget about the healing centres. If you cut the alcohol, they will not need the healing centres. People will go back to do the cultural things that they were brought up to do. This is what we are saying: we go about everything arse about face, if I can use that language.

Mr JOHN COBB—Someone brought up the point that 30 years ago, when I was a kid, a lot more Aboriginals were employed than there are today. There was not the welfare, and some would say that they got those jobs because they were probably paid less than others. I do not know what the real reason was, but they were out there and they got the jobs. Dr Ryan, I tend to agree with what you were saying in that, probably 20 or 30 years ago, there was better health access. I do not mean everywhere, but I suspect in western New South Wales there was a lot more education that way. I do not mean technical stuff; I mean very basic stuff.

Dr Ryan—Also 30 years ago we did not have the passive welfare we have now that has disempowered and crushed people.

Mr JOHN COBB—I totally agree with that. Obviously the answer is not suddenly to say, ‘Let’s cut all the welfare out and that will fix the problem.’

Dr Ryan—No, we need a lot more than that, a much richer complexity.

Mr Winer—And a much better use of what is already going in. I think that is the challenge.

Dr Ryan—But sustainable.

Mr Winer—One thing that keeps striking me is that, as you have heard around this table, Aboriginal leaders and communities have the solutions for all these problems. We have certainly noticed that a number of different departments and organisations run around, not listening to those leaders and peak organisations, and keep reinventing. I think that all this wastage and stuff that is happening has to get really tightly looked at. We are finding that this partnership with

Balkanu in business development is becoming more and more efficient, focused and effective. That is because Aboriginal people, as Noel says, are taking responsibility. They are taking the leadership, so they take the blame if things do not work and they hold their heads up when they do.

I just wanted to raise that one point about these healing centres and things and that there are different government departments. We find that with the business development stuff, one group will come up and say, 'Let's do business plans on this,' and then another group will come through and say, 'Let's do business plans on this,' and then the other group talks to another clan group and they will say, 'Let's do something else.' Whereas this sort of system, with Aboriginal leadership in place, they make sure that you are not duplicating things and you are not getting 10 different opinions or attitudes and it is keeping things focused and efficient. It is that stuff of yes, the Aboriginal leadership is there and it is ready to do it; how come everyone keeps hesitating to throw that responsibility to the people? And when you do throw that responsibility to the people, if it does not work you do have someone you can point your finger at.

CHAIR—Michael, in your organisation, as I understand it, you actually invest your time in listening to and working with the Aboriginal community. You reach these positions in that you invest and you invest in this, and then you go and do it in that spirit. That is part of the success, isn't it? I need to start bringing this hearing to a close.

Mr SNOWDON—I have a question.

CHAIR—Just a quick one, Warren, because I have got two things I need to say.

Mr SNOWDON—Do the various Commonwealth and Queensland government agencies each have their own field service arrangements, so, as well as having a multiplicity of agencies, you have a multiplicity of people in the field?

Mr Winer—Yes, and that causes a lot of confusion because you have got one person from one department going and talking to a person, the next one coming in who has not talked to the one before and who is promising something else—

Mr SNOWDON—So they do not talk to one another?

Dr Ryan—They are trying something different. The MCMC—the meeting challenges making choices coordination of Cairns based service deliverers, has come from an Indigenous organisation, the coordination of all those child health initiatives, so that we are at least talking and being aware of what each other does. That is early days.

Ms Riggs—I will not speak for state agencies, but Commonwealth agencies are not unaware of that issue and we are working in a renewed way, under the COAG arrangements, to endeavour to at least coordinate field servicing better. That is not so much that a department will be able to respond for another department, but could take issues on board and bring them to the notice of the appropriate officials. I think my colleague mentioned that we have established a coordination arrangement among Commonwealth agencies in Cairns. I just wanted to note that we are not unaware of the issue. Certainly we understand that overloading communities is not going to be a way of producing better outcomes in partnership.

Mr Winer—I think these roundtables and so on have been established for this exact reason. It is very good to see all the government agencies taking it up as a major focus.

CHAIR—They are not the easiest things; this afternoon has not been as easy as this morning, for example. We have put a whole lot of different dynamics into this afternoon, which actually had to be there, but it is not easy sitting down and finding out all these disparate things.

Mr Winer—I want to point out that Indigenous Enterprise Partnerships' budget for going around the cape to consult is zero because we have worked through the systems that have been established by a number of Aboriginal organisations to do that and we back that infrastructure. That is a fundamental change in the way things are being done.

CHAIR—Are you suggesting there might be a model there for every department? What you think, Dr Ryan? Is there a problem?

Dr Ryan—Yes, but pigs will fly and there will not be any pork in the treetops come morning.

Mr SNOWDON—It would be a worthwhile exercise to try to cost the field servicing across the Commonwealth agencies.

CHAIR—There are a bundle of stories about this over the years, how roads have been worn out from the airport on trips to the various communities. It would be, but can I leave it about there? I want to end this on a slightly more positive note. This is hard work; I find it bloody hard work trying to bring all these bits together. And remember, we do this in a number of communities in every state and territory. It is useful but, as one of my colleagues reminded me last night, it is not the easiest field to work in. The issue of other policy areas et cetera—it is tough going. It is one of the toughest areas we have in the country, so we should not feel too despondent about that.

There are a whole lot of things happening at the moment which I really believe offer us a fair bit of hope. Once you give up hope, you give up everything. There are a lot of things which I have heard even this afternoon. The separation of powers is not an issue. We might debate Wilson's view of the world—I do too—and I accept the comments, the criticisms arising from how you may interpret that. Of course, the other side of that is that only about an eighth, or 12.5 per cent, of Aboriginal people actually vote in ATSIC elections.

Mr O'Shane—How many?

CHAIR—About 12.5 per cent.

Mr O'Shane—In ATSIC elections. Is that right?

CHAIR—About 13 per cent. We need to be aware of where the community view is, and we have a responsibility to our total community. I really would not want anyone to go away from here thinking there is not a fair bit of goodwill out there towards Aboriginal people in this country. I think it is growing. It does not mean that we all love each other all the time, but there is a fair bit of goodwill to try and do a lot better in these issues. And I do not think it is always just about money: it is about money some of the time but is not just about money. I could talk

about education—I was hoping to get the odd education question in. I have not done that so, I will have to leave that for another forum in another place.

I would like to thank my colleagues and thank everyone for turning up today and for the effort that has gone in, because it has been pretty worth while to us. When we sift through to write our report I make no guarantees other than the fact that a group of humble backbenchers have given it their best effort. You have Mr Abbott coming up and you have all the other high-powered gentlemen round the place. We are but the baggy arses of the outfit, but we do genuinely try to listen and to put something forward and to keep it in a form which may be of some use to the country over the next five or 10 years. Thank you very much.

Mr O'Shane—Thank you and all your colleagues for coming up and listening to what we have to say.

CHAIR—Thank you.

Resolved (on motion by **Ms Hoare**):

That this committee authorises publication, including publication on the parliamentary database, of the proof transcript of the evidence given before it at public hearing this day.

Committee adjourned at 2.27 p.m.