

1 MAY 2009

Report to Senate

The following is an issue I would like to raise in addition to the submission already made by CAYLUS.

Income management

The government should be on income management. The yearly funding cycle of some government programs creates systemic problems that detract from the service provision to the citizens. The NTER has been especially vulnerable to this systemic problem for a number of reasons. The yearly cycle detracts from the state's capacity to maximize returns from the taxpayers investment. In the following I will attempt to justify and quantify one aspect of this assertion from our experience at CAYLUS. There are many other ways this issue plays out, but this one example gives insight into the basic ramifications of enacting short term strategies in the face of long term problems.

Yearly funding cycle implications

A yearly funding cycle has many shortcomings, but it is particularly poor at getting results on infrastructure. Infrastructure takes time. Getting it wrong is expensive. It's the major return to the citizen for being part of the state: the provision of a physical framework in which to live. Our infrastructure creates our capacity for health, education, work. Anyone who has been to a remote Indigenous community knows the appalling infrastructure available to this section of the population. One of the keys to making any progress is recognizing the need to invest in remote communities. There are substantial savings to the taxpayer in the long term, taking health care and other social costs into the cost/benefit analysis. Prevention is cheaper than cure. The provision of Opal, at a cost of about \$20 million per year, has arguably reduced public spending by more than \$80 million per year on the various costs of the results of inhalant abuse in the region.

CAYLUS is attempting to prevent the rise of antisocial behavior through a demand reduction strategy - providing opportunities to a very disadvantaged group of young people. As part of this, CAYLUS is currently managing funds for the provision of infrastructure. These funds (\$3 million) are from the Aboriginal Benefits Account, thru FAHSCIA and the Minister for Indigenous Affairs, and are mining royalties paid to the Indigenous community.

It was difficult to prioritize the particular infrastructure projects we are enacting from amongst the youth program infrastructure needs across the region, which we estimate at \$20 million. We identified some crucial bottlenecks in the provision of youth services across our region, and we asked the ABA for funding to provide this infrastructure. This includes renovations to existing recreation halls, and the provision of housing for youth workers. This accommodation is crucial for staff to make youth development services available in communities with high needs for diversionary activities. Lack of staff accommodation is one of the main reasons that better services cannot be provided out bush generally. This reality was recognized by the NTER, which built accommodation for their staff as part of their first phase.

In this ABA infrastructure project, there is no deadline as long as we make satisfactory progress. As a consequence, we have had the time to consult with stakeholders to optimize utility and value for the investment. As well as optimizing the renovations to existing infrastructure, we had time to design good staff accommodation, being a two bedroom blockwork house on a slab.

In a yearly funding cycle, there is only time to purchase a prefabricated transportable house and have it delivered to the community. The Macdonnell Shire is currently attempting to provide youth worker accommodation in a six month timeframe. The demountable is a quick fix option when there is no time, but one of the downsides is that the building can only be expected to last 5 to 10 years in the community. The more solid blockwork houses we are building can be expected to last between 30 and 50 years. And they are a lot better to live in – cooler, quieter and more secure – which can help with staff retention.

As stated above, the design we came up with is for a two bedroom blockwork house on a slab, with a verandah and a carport. It can be easily extended into a duplex should more funds become available. The second half – another self contained two bedroom dwelling - is substantially cheaper to build because the design gives a head start to electrical and plumbing work.

Also, the capacity of extending a building in this way on the existing lot minimizes the time required to acquire the scarce building lots in the infrastructure poor remote community. It should also simplify the required lease arrangements made thru the complex interlocking permit systems of the Department of Planning and Infrastructure (DPI), FAHSCIA and the Central Land Council.

The tenders for this design have now been accepted, and the cost is the same as we would be paying for a two bedroom demountable house, The time we have taken to

about \$270k w carport

get this far is less than a year, and the building part we expect to be completed in the next six months, making the total time needed for the process about eighteen months. So even without the future savings of the smart design features, the yearly funding cycle sacrifices 20 years of the life of the asset, tripling costs for the provision of the infrastructure over the longer term.

This is only one example of the waste involved in some of the government systems that impact on Indigenous Australians in this region. There are many others, some of which you may hear about during your inquiries. There are structural issues behind the poor health and social problems experienced by the Indigenous section of the population in this region. These can only be addressed by government improving the way it does business.

The future

It is interesting to see that there is the capacity to get enough money allocated to change these circumstances once and for all. This is what the approx \$2 billion spent so far on the NTER has demonstrated. As stated, CAYLUS estimates \$20 million is needed to provide infrastructure for the diversionary activities to vulnerable populations in the region. The community by community breakdown of needs is on our website, and has been for the last five years, since well before the NTER. The \$20 million needed is 1% of the money so far spent on the NTER.

The long term effects of the provision of these youth development services would be very positive for the current safety and future potential of the at risk group, and for the wider society in which they live. The group would have access to safe, educational, socializing activities. Our experience gained addressing inhalant abuse in this population has shown us that the majority of people will take other options if they are available in their community. The existing models demonstrate this, especially the Mt Theo project, which has been going for 13 years and has made a substantial improvement to the quality of life of young Warlpiri people. As such, we argue that the evidence is there that this \$20 million would be a good long term investment in the youth of the region.

The systematic provision of these youth development services would be an effective way of enacting one article from the United Nations Declaration on the Rights of Indigenous Peoples, which the Commonwealth is going to adopt soon.

Article 21 (2) states : States shall take effective measures and, where appropriate, special measures to ensure continuing improvement of their economic and social conditions. Particular attention shall be paid to the rights and special needs of indigenous elders, women, youth, children and persons with disabilities.

The systematic funding of youth support programs

~~It~~ would signify an acceptance by government of some of the responsibility for the current problems experienced by this group of Australians. It would be a way of demonstrating that the sentiment behind the Apology given by the Prime Minister on behalf of the Australian people was part of a broader commitment to create improvements.

The adoption of a preventative approach

~~It~~ would also be a move away from the punitive measures so far attempted to improve the safety of young people, which are attempting to shut the stable door after the horse has bolted. Seeking to enact punishment on offenders is a natural reaction to the shocking media stories about the lives being led by Indigenous youth. However, there are more strategic ways of creating change that also could be part of this ^{historical} attempt by the Australian people to finally solve this seemingly intractable problem.

We suggest that Prevention be the new Intervention.