

Secretaries' Group on Indigenous Affairs

# Annual Report on Indigenous Affairs 2004-05



Australian Government



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Annual Report on  
Indigenous Affairs  
2004-05



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Some names may be mentioned, or images portrayed, of people who have died since the events recorded occurred. The Secretaries' Group apologises for any unintentional hurt caused.

This report is available on the Internet:

<http://www.oipc.gov.au>

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# Foreword

Developing public policy is complex. Delivering it effectively requires commitment, and the challenges change year by year. One of the most difficult, and it is a long-term issue, is how governments should best address the profound disadvantage and lack of opportunity faced by many Indigenous Australians.

In early 2004 the Government determined that significant reform of the administration of Indigenous affairs was required. It set a huge challenge for the Australian Public Service (APS). We were asked to:

- break down departmental silos and to work in a connected whole-of-government way to design and implement policy
- redesign mainstream and Indigenous programs so that they could meet local needs more flexibly
- engage with Indigenous communities on the basis of partnership and shared responsibility.

New structures for whole-of-government governance and service delivery were required. The Ministerial Taskforce and Secretaries' Group on Indigenous Affairs were established to oversee the reform process. Australian Government expenditure was brought together in a single consolidated Indigenous Budget. Indigenous Coordination Centres were established to provide a national network of 'one-stop shops' for service delivery to Indigenous communities. And, importantly, the Government appointed a new expert advisory body, the National Indigenous Council. The Council has already taken an important role in providing policy advice.

The reform challenge extends far beyond structures. It requires a change of mindset and culture. Against every instinct of bureaucracy, we need to move away from the certainty, uniformity and control of one-size-fits-all national programs that sit within a single agency. We are required to embrace approaches built on local responsiveness, community-based innovation and negotiation.

I am encouraged by the commitment, enthusiasm and cautious optimism with which public servants at all levels have responded to this challenge over the past year. We are still exploring how to work in these new ways. There will be mistakes as well as successes. But the key is that we learn from both.

Indigenous communities have seized the opportunity to negotiate agreements that share responsibility and tailor interventions to local needs and priorities. By 30 June 2005 more than 70 Shared Responsibility Agreements had been negotiated with communities across Australia. Many of these agreements are simple, focussed on one or two issues. They need to be carefully monitored. As Indigenous communities and governments gain more experience working in partnership, we will build on these agreements to support sustainable change.

The unfinished business in this reform process is daunting. We need to continue to build the capability of the APS to deliver in this new environment. It is imperative, also, to reform the mainstream.

We must recognise that better connected Indigenous-specific programs will never be enough to overcome Indigenous disadvantage. Indigenous-specific programs can only be effective if they complement and supplement (not substitute for) mainstream programs. Harnessing mainstream programs for reform will be critical. We need to ensure that the mainstream delivers the same opportunities for Indigenous Australians as we expect for non-Indigenous Australians.

As this annual report reveals, public servants will need to commit themselves to a long-term process. I believe that they will.

A handwritten signature in black ink, appearing to read 'Peter Shergold', with a small horizontal line under the first letter 'P'.

Dr Peter Shergold  
Chair  
Secretaries' Group on Indigenous Affairs

# Membership of the Secretaries' Group on Indigenous Affairs

Dr Peter Shergold AM (Chair)  
Secretary  
Department of the Prime Minister and Cabinet

Mr David Borthwick  
Secretary  
Department of the Environment and Heritage

Dr Peter Boxall  
Secretary  
Department of Employment and Workplace Relations

Mr Robert Cornall  
Secretary  
Attorney-General's Department

Mr Wayne Gibbons PSM  
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Ms Jane Halton PSM  
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Department of Health and Ageing

Dr Jeff Harmer  
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Department of Family and Community Services

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Department of Immigration and Multicultural and  
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Mr Mike Taylor  
Secretary  
Department of Transport and Regional Services

Ms Helen Williams AO  
Secretary  
Department of Communications, Information  
Technology and the Arts

Ms Lynelle Briggs  
Public Service Commissioner

Two children running, Aurukun, Queensland.



Photographer: Kerry Trapnell.



# Introduction

The disadvantage experienced by many of Australia's Aboriginal and Torres Strait Islander people is significant and longstanding. Narrowing the gap between the life circumstances of Indigenous and other Australians is a critical public policy issue that will only be progressed by governments at all levels working in partnership with Indigenous people.

There have been signs of progress in reducing the underlying level of disadvantage, with indications that the socioeconomic status of Australia's Indigenous people is improving. Notable improvements reflected in data from 1994 to 2002 include:

- steady increases in Indigenous primary and secondary school enrolments and in apparent retention rates.<sup>1</sup> The proportion of Indigenous Australians aged 25–64 years who had a non-school qualification rose from 20 to 32 per cent
- the proportion of Indigenous Australians aged 18–64 years in mainstream employment rose from 31 to 38 per cent, while the unemployment rate fell from 24 to 13 per cent
- the proportion of Indigenous households that were owner/purchaser households had increased from 26 to 30 per cent.

The Indigenous population has a younger age profile and higher birth rate than the non-Indigenous population; some 40 per cent of the Indigenous population are aged under 15 years compared to 20 per cent of the non-Indigenous population. Given

the number of young Indigenous people who will finish schooling over the next five to ten years, there will be a significant increase in the size of the potential Indigenous labour force. This needs to be harnessed, particularly given the ageing of Australia's overall population and the emergence of growing skill shortages.

To accelerate efforts to close the disadvantage gap, the Australian Government, since July 2004, has been profoundly changing the way it develops and implements public policy and programs for Indigenous Australians. The new arrangements are based on the conviction that successful solutions must be based on shared responsibility between governments and Indigenous communities; that governments need to become more flexible and responsive to local community needs and reduce duplication and red tape; and that priority must be given to achieving outcomes and value for money with an improved quality of services hitting the ground. Fundamentally, the new arrangements require working on a whole-of-government basis—harnessing the capability of mainstream Australian Government agencies and working in a collaborative way with other levels of government.

These new arrangements are being led by the Ministerial Taskforce on Indigenous Affairs (MTF). The MTF is chaired by the Minister for Immigration and Multicultural and Indigenous Affairs and comprises the 10 ministers with lead responsibility

<sup>1</sup> Latest data for year 7/8—year 12 show an increase from 29.1 per cent in 1996 to 39.5 per cent in 2004.

in Indigenous affairs. The MTF has set three key priorities for its work, in consultation with the new National Indigenous Council (NIC).

### Ministerial Taskforce on Indigenous Affairs: three reform priorities

- Early childhood intervention; a key focus will be improved mental and physical health, and in particular primary health, and early educational outcomes.
- Safer communities; this includes issues of authority, law and order, but necessarily also focuses on dealing with issues of governance to ensure that communities are functional and effective.
- Building Indigenous wealth, employment and entrepreneurial culture; these are integral to boosting economic development and reducing poverty and dependence on passive welfare.

The Secretaries' Group on Indigenous Affairs has been charged with supporting the directions being set by the MTF and is accountable for driving the reform in the public sector and ensuring the Australian Government's new arrangements are effectively implemented. Our first year of the new arrangements has been focussed largely on laying the foundations: replacing old structures with new whole-of-government mechanisms to drive the reform strategy at national, regional and local levels; transferring

responsibilities for managing Indigenous service delivery to mainstream departments; and developing more collaborative approaches to setting priorities, funding and engaging with Indigenous people.

The Secretaries' Group meets monthly to address strategic issues to support the MTF and works collaboratively with the NIC. It serves as a high-level policy forum where key issues and challenges for policy makers have been discussed outside the constraints of particular portfolio boundaries. Decisions and directions have been elaborated in discussions with senior executives and regularly communicated to operational staff. Most Secretaries are also involved in sponsoring practical reform activity in trial regions across Australia, identified by the Council of Australian Governments (COAG). They have been working in close partnership with Indigenous people to improve the coordination of service delivery on the ground, by strengthening relationships and building the capacity of all involved in the COAG trial regions.

We consider that, given the magnitude of the task, the progress made to date is significant. It is also important to acknowledge, however, that boosting the social and economic circumstances of Indigenous Australians cannot be achieved overnight. It requires concerted effort over a long period from all governments, Indigenous people themselves and the wider Australian community.

## Secretaries' Group: focus of activities in year one

The Australian Government's new arrangements in Indigenous affairs impose specific accountabilities on Secretaries for driving reform in the public sector so all levels of government are working together, and to work directly in partnership with Indigenous families and communities to achieve improved outcomes. In its first year, the Secretaries' Group has focussed on key strategies, including:

- setting parameters for local engagement with Indigenous communities based on shared responsibility
- providing high-level guidance and oversight of Indigenous Coordination Centres
- developing an integrated Single Indigenous Budget Submission for consideration by the MTF
- establishing a performance monitoring and evaluation framework.

Our annual reports are part of our commitment to improve accountability and transparency. This first report outlines what is being done, what has been achieved to date and what more needs to be done to consolidate and extend the reform process in Indigenous affairs. Future reports will progressively account for the impact on outcomes for Indigenous people, as more comprehensive data become available from improved evaluation of the performance of government programs and associated reforms.

Gina Smith (right) and Rayleen Brown of Smith and Brown Outback Catering, also known as Kunkas Can Cook, providing food on a film set near Alice Springs, Northern Territory.



Photographer: David Hancock. © SkyScans.

# What changes have been made?

An important element of these new arrangements has been the establishment of governance arrangements to drive the changes to Indigenous affairs, ensuring transparency and accountability, and providing leadership from the top. Other elements essential to the reform process include a commitment to engaging mainstream resources and integration with the activities of state, territory and local governments. All are fundamental to achieving improved outcomes on the ground.

## New whole-of-government arrangements

In recognition of the need for Indigenous expertise and advice, the MTF is assisted by the NIC, which was established in late 2004. The NIC is a panel of Indigenous people with expertise in many areas relevant to the new directions the Government is taking. It meets quarterly, including twice each year with the MTF, and regularly with the Secretaries' Group. Already the Council is demonstrating its capacity to make a strong contribution to policy development with its suggestions around initiatives for Indigenous Australians to gain economic and social benefits from the use of Indigenous-titled land.

### Benefiting from Indigenous-titled land

- The NIC has pointed out that improved land tenure arrangements are necessary for Indigenous Australians to be able to gain improved social and economic outcomes from their land base now and into the future, but in a way that maintains Indigenous communal ownership.
- The NIC has supported complementary measures involving support for home ownership and encouraging business development. This involves exploring ways of attracting mainstream investment, through private equity and other finance.

A new Office of Indigenous Policy Coordination (OIPC) has been created in the Department of Immigration and Multicultural and Indigenous Affairs. OIPC has a key role in developing and coordinating innovative policy development and service delivery across the Australian Government and promoting new ways of engaging directly with Indigenous Australians at the regional and local level.

Achieving a whole-of-government approach to service delivery at the coalface involved establishing 30 Indigenous Coordination Centres (ICCs) in metropolitan, regional and rural Australia. To ensure successful centres required recruitment of new leadership (ICC Managers are engaged by OIPC); coordinated and streamlined funding arrangements for services previously administered by the Aboriginal and Torres Strait Islander Commission (ATSIC) and Aboriginal and Torres Strait Islander Services (ATSIS); and new approaches to agreement making with Indigenous people at local and regional levels.

There have been many significant challenges for ICC Managers and staff in this process, especially in regional and remote areas, where ICCs co-locate staff from different agencies and operate as multi-agency offices. For a significant number of our staff, including many who had previously worked with ATSIC and/or ATSIS, the transition to whole-of-government work and practices to support a more

coherent system of service delivery required new and different skills. For existing staff and new recruits, a significant investment in training and support was necessary and agencies have also been taking steps to ensure that expertise was available to ICCs in both mainstream and Indigenous-specific service delivery. The need to develop new skills to support the achievement of better outcomes for Indigenous people extends across the APS and includes policy development, service delivery and evaluation, and requires ongoing leadership and effort.

As part of their role in promoting coordination and fostering cross-portfolio partnerships, Secretaries and our senior managers constantly emphasise the new whole-of-government work culture and approach. At the same time, our ICC staff meet daily challenges and deadlines, ensuring continuity of service delivery. ICCs also supported the operations of elected Regional Councils until their abolition on 1 July 2005.

Some staff from state government agencies are now moving into ICCs, beginning in rural New South Wales. Other states are also considering this step as a way of joining public administration of Indigenous affairs across jurisdictions—a major innovation in its own right.

### Harnessing mainstream and Indigenous-specific program skills on the ground

As a practical means of harnessing both mainstream and Indigenous-specific program solutions, agencies are identifying portfolio experts to support whole-of-government work in ICCs.

The Department of Employment and Workplace Relations has appointed Solution Brokers at every ICC location. They are primarily responsible for promoting and implementing innovative employment, participation, training and enterprise opportunities for Indigenous Australians in their ICC region.

Helping ICC Managers broker partnerships between other Australian Government agencies, state and territory governments and external organisations, is a crucial requirement of these positions. Solution Brokers also work in a whole-of-government environment to contribute to the development of Shared Responsibility Agreements.

### Council of Australian Governments

State and local governments are responsible for a wide range of services to Indigenous people. Their participation in joint efforts to overcome Indigenous disadvantage is vital if Indigenous people are to have access to the same opportunities available to other Australians. Inadequate coordination across governments in the past—with confusion of responsibilities between different levels of government involving duplication and service gaps—has meant that Indigenous people have missed out or received poorly connected services which haven't always responded to the needs of Indigenous communities.

There is strong support across all governments to adopt improved ways of working in the interests of better outcomes, linked to the principle of shared responsibility. This has been gaining momentum since 2000, particularly following the implementation from 2002 of a series of COAG trials in eight locations in Australia. These have provided important lessons on how governments can work more effectively on the ground with Indigenous people and adapt their programs and services to achieve better outcomes.

### COAG trials:

#### the case of Wadeye, Northern Territory

Several COAG trials have reported encouraging achievements. The trial site at Wadeye is showing how governments can work together with Indigenous communities to improve outcomes for Indigenous people.

In November 2002, the Wadeye community entered into partnership with the Australian Government and Northern Territory Government, which agreed to provide more flexible programs and services based on priorities identified by the community.

An action plan has been developed to tackle four priority areas: institutions and economic development; infrastructure and construction; social development; and natural and cultural resource management.

The landmark release in November 2003 of the *Overcoming Indigenous Disadvantage* (OID) report commissioned by COAG and produced by the Steering Committee for the Review of Government Service Provision, gave further impetus to government efforts to improve service delivery to Indigenous communities. This report drew together, for the first time, a comprehensive statistical picture of social and economic outcomes experienced by Indigenous Australians compared to those of other Australians. It also pointed to strategic areas for action by all governments, to close the serious gap in outcomes. The second OID report was released in August 2005.

In June 2004, recognising the need for a more concerted approach to government efforts, and drawing on the lessons learnt from its trials, COAG established a *National Framework of Principles for Delivering Services to Indigenous Australians*. Governments have embraced the concept of shared responsibility and agreed to work with each other and with Indigenous people to help overcome Indigenous disadvantage.

Aboriginal stockmen, Glen Garland Station, Queensland.



Photographer: Kerry Trappell.

## COAG National Framework of Principles for Delivering Services to Indigenous Australians

Framework principles include:

- sharing responsibility
- harnessing the mainstream
- streamlining service delivery
- establishing transparency and accountability
- developing a learning framework
- focussing on priority areas.

A complete copy of the National Framework is available on the Internet at <[www.coag.gov.au/meetings/250604/attachments\\_b.pdf](http://www.coag.gov.au/meetings/250604/attachments_b.pdf)>.

This National Framework underscores the commitment by the Australian Government and state and territory governments to improve coordination; reduce confusion about which government is responsible for which programs; rationalise overlaps and plugging gaps; and support and build Indigenous capacity. Together these actions will help Indigenous families and individuals to become self-sufficient.

The Australian Government's new arrangements are complemented by reforms pursued by governments more generally. In particular, the directions advocated in COAG's National Framework were progressed in 2004–05 through the development of bilateral agreements between the Australian Government and each of the state and territory governments.

Rachael Walker, Aboriginal mine plant technician, beside the large ore-carrying truck she drives at Ranger Uranium Mine, near Jabiru, Northern Territory.



Photographer: David Hancock. © SkyScans.

# What have the changes meant so far?

This report details our progress in implementing COAG's National Framework and uses the National Framework principles to structure the discussion.

## Sharing responsibility

A central element of the Australian Government's new approach is the voluntary development with Indigenous families and communities of Shared Responsibility Agreements (SRAs). Through SRAs the Government invests in the priority needs of communities, clans and families. In return the community agrees to take steps to implement local solutions consistent with good health, family stability, community safety, education and economic wellbeing. SRAs can also involve state and territory governments, local governments, the private sector, and philanthropic organisations.

Through the development of SRAs Indigenous communities are now playing a greater part in communicating their needs and taking direct responsibility for achieving real outcomes. The SRAs developed to date include initiatives and strategies that address nutrition, community safety, business support, and skills development. Communities have made commitments to improve school attendance, better control substance misuse and be more involved in youth recreation activities.

In June 2005, the Government announced that 76 SRAs with 64 communities had been signed. These communities are now more familiar with the process and further SRAs are likely to be more comprehensive, with communities advancing their longer-term aspirations. In 2005–06 we are building on our initial work with SRAs to a more comprehensive engagement with the communities and regions. At the time of completing this report, over 100 SRAs had been finalised with over 80 communities.

### Shared Responsibility Agreements in Emu Point, Northern Territory

At remote Emu Point, 320 kilometres south-west of Darwin, the community wants to become more self-sufficient by raising cattle and starting a market garden. Their SRA is providing basic infrastructure to make this happen—a fence around the community and a water supply. Community members have started on the garden, and community elders will help young people to develop stock-handling skills. Elders will also pass on cultural knowledge and skills.

To support these activities, the Australian Government is building a child-care facility. The community will participate in the groups supporting the child-care centre and the new school soon to be built by the Northern Territory Government. Families will make sure their children go to school. The aim is a functioning self-sufficient community nurturing its young people.

### How was the Emu Point SRA developed?

Discussions on this SRA commenced following a recommendation from the North West Regional Governing Council in response to the Australian Government's new arrangements in Indigenous Affairs initiated from 1 July 2004. In November 2004, the first of a series of six two-day, whole-of-community workshops was held in Emu Point, involving the Darwin ICC and the Northern Territory Government. These workshops mapped out the community's needs, identified their goals and set out the assistance that government could provide to meet these goals.

This transition in working together across portfolios and with Indigenous people was not achieved easily and we are still learning many lessons. Challenges have included moving away from historical agency-based approaches (which many saw as tried and true), to program management and service delivery, and a more coordinated approach. One of the other important lessons from early experience with SRAs is that they require capacity within an Indigenous community in order for governments to effectively engage with them.

Measures are being developed to support communities and grow that capacity, over time. In many of our programs, for example the Community Development Employment Projects (CDEP), we are developing capacity-building plans with community members and organisations, where more support is needed to achieve better results. By June 2005, the Government had received finalised proposals for new community engagement arrangements in 10 of the 35 regions covered by the ATSIC Regional Councils. This resulted in the recognition of genuine Indigenous representative bodies providing an interface between communities and governments. Consultations and negotiations are ongoing in other areas.

Real partnerships are critical to sustainable outcomes. Service interventions must be made in a culturally appropriate manner, particularly if we are to avoid entrenching Indigenous dependence on government. It is clear that there must be more direct engagement at local and regional levels, including through SRAs and Regional Partnership Agreements (RPAs), working with bodies established by Indigenous people themselves. RPAs are an important element of our engagement with communities. RPAs tailor government interventions across a whole region.

### First Regional Partnership Agreement

The first RPA was signed between the Australian Government, the Western Australian Government and the Ngaanyatjarra Council, to build a better future for 12 remote desert communities.

It commits all parties to working together to improve essential services, develop a 20–30 year vision for the future, establish meaningful representative arrangements and reduce red tape. It is linked with three local SRAs.

Communities are being supported to build their capacity to negotiate as genuine partners with government, and resources are being provided to support engagement at the local and regional levels. The first agreement reached to support engagement with a new Indigenous body was in New South Wales.

### First regional representative body agreement signed

The Murdi Paaki Regional Assembly (MPRA) is a regional governance structure developed by the 16 Indigenous communities participating in the COAG trial in western New South Wales. The MPRA has been formally recognised and supported by the Australian Government and the New South Wales Government, through the signing of the region's 10th SRA on 1 August 2005. The agreement was signed by Mr Pat Farmer, Parliamentary Secretary supporting Minister Nelson, Mr Trevor Fletcher, Deputy Director General of the New South Wales Department of Education and Training, and Mr Sam Jeffries, Chair of MPRA. In relation to the COAG trial, MPRA will ensure accountability is shared with governments in regard to the way services are delivered and how those services translate to better lives for Indigenous people.

Alongside SRAs and RPAs, there have also been reforms to the way various programs operate, aimed at improving the quality of services and outcomes. This includes legal services, housing and heritage preservation through Indigenous protected areas.

### Reforming service delivery: the case of legal aid

2004–05 saw the introduction of a new approach to the provision of legal aid services to Indigenous Australians. Based on an open tendering process, it aims to secure high quality, professional and culturally sensitive legal aid services while also ensuring value for money. Requests for tender were released in Victoria, Queensland and Western Australia and new providers engaged under three-year contracts commencing on 1 July 2005. The successful tenderers in all three states were Indigenous organisations.

Hunting and collecting food in the Aurukun 'supermarket'.



Photographer: Kerry Trapnell.

### Fixing Houses for Better Health in Indigenous communities

The poor standard of housing for Indigenous people is a known contributor to their health problems. Fixing Houses for Better Health (FHBH) is a national project managed by the Department of Family and Community Services.

The project aims to improve health by tackling deficiencies in community housing and services, including water, sewerage, electricity, cooking and food storage facilities—particularly in rural and remote locations. It also seeks to encourage communities to maintain the houses once they have been fixed. This also provides opportunities for skills development and for structured paid work.

FHBH projects were implemented in three jurisdictions between June 2001 and August 2003, assessing and repairing 1432 houses across 43 Indigenous communities. Only 51 per cent of the first 434 houses surveyed had a working flush toilet and only 11 per cent of houses were electrically safe. Six months later, 91 per cent of all houses had a working toilet and 84 per cent of houses had a safe electrical system.

## Indigenous Protected Areas

The Australian Government Natural Heritage Trust (NHT) Indigenous Protected Areas program supports Indigenous landowners to develop and declare Indigenous Protected Areas (IPAs) on their lands as part of Australia's National Reserve System. Through the program Indigenous communities provide services to the Australian Government by managing and protecting the unique natural and cultural values on their lands.

Nineteen IPAs have been declared across Australia covering some 13.8 million hectares. Funding for the IPA program for 2004–05 was \$2.5 million.

A key part of the program is the way it supports Indigenous communities to consider carefully the options they have for their land resource. Indigenous communities undertake a broad consultation process and develop a plan of management that identifies their aspirations and guides their management activities. Some of the activities undertaken at these lands include propagating and replanting native vegetation, erecting fences to manage pests, monitoring of biodiversity 'hot spots' and cleaning rock water holes. IPA projects contribute to a broad range of benefits for Indigenous communities. These include employment, training, health, education and family and community cohesion.

## Harnessing the mainstream

### Improving access for Indigenous people

Secretaries are working to ensure access to mainstream services is provided on the basis of need and equity to all Australians, including Indigenous Australians, with a clear focus on achieving measurable outcomes. Where mainstream services are unable to effectively meet the needs of Indigenous people, Indigenous-specific services have an important role. The many challenges in this area include ensuring that Indigenous-specific and mainstream programs and services are complementary, reducing the red tape associated with these services, and making mainstream services attractive to Indigenous people.

The cross-cultural issues in the challenge of improving usage of mainstream services mean that government programs must be flexible at local levels, particularly if they are to support the evolution to more comprehensive community engagement via SRAs.

Individual agencies are pursuing initiatives to harness mainstream programs and funding by:

- aligning or integrating mainstream programs and Indigenous-specific programs, for example aligning and connecting provision of CDEP with the Job Network, and placing Indigenous economic development initiatives within an overall framework to promote synergies
- shifting to outcomes-based funding arrangements based on contracts in lieu of grant funding such as Aboriginal legal services
- directing mainstream funding through Indigenous-specific delivery mechanisms, for example Indigenous adult and child health checks are reimbursed under the Medicare Benefits Schedule
- directing Indigenous-specific funding through mainstream delivery, including Indigenous immunisation programs delivered by state public health units and Indigenous health funds delivered through National Divisions of General Practice
- improving evaluation and the internal governance of programs.

Education is a critical area in which progress is being made, building the foundations for Indigenous Australians to have greater choices about work, income and lifestyle.

### Some promising results in education

- There has been a growth in the number of young Indigenous people attending preschool and school—from 122 899 in 2001 to 139 502 in 2004.
- More Indigenous students are staying on at school—Year 7/8 to Year 12 Indigenous apparent retention rates have increased from 34.7 per cent in 1999 to 39.5 per cent in 2004. But there is still a long way to go to catch up with non-Indigenous rates, which also rose during this period, from 73.2 per cent to 76.8 per cent.
- Post-secondary numbers have also risen. Of particular note is the increase in the number of Indigenous New Apprenticeships—from 6230 in 2001 to 9470 in 2004. Indigenous higher education numbers also rose over this period— from 8661 to 8895; while the percentage of Indigenous higher education students studying at bachelor level or above rose from 67.4 per cent to 76.4 per cent.

Librarian Natalie Kopp assisting a student at the Alice Springs campus of the Batchelor Institute of Indigenous Tertiary Education.



Photographer: David Hancock © SisyScans.

A key initiative having strong results is a program to accelerate literacy, known as scaffolding.

### Scaffolding Literacy

Scaffolding Literacy (or Accelerated Literacy) is a classroom teaching method that assists low achieving students to catch up to the average level of the rest of their class. The method aims to develop reading, writing, comprehension and spelling skills to a high level very quickly, using well-written, challenging books. An independent evaluation by the Australian Council for Educational Research of the Scaffolding Literacy program found that students achieve at a much higher level than if they had not participated and concluded that the results were 'little short of sensational'.

The Australian Government has allocated \$14 million for Scaffolding Literacy over the 2005–08 quadrennium. In the Northern Territory, the Australian Government is working with the Department of Employment, Education and Training and Charles Darwin University to implement this accelerated literacy approach across 100 schools—90 per cent of which will be in remote areas. As part of this project 10 000 students will receive support and 700 teachers will be re-trained. The approach is also being delivered in 15 Aboriginal Independent Community Schools in Western Australia and Shalom College in Queensland. The Catholic Education Office of Western Australia will also introduce accelerated literacy in six remote locality schools in the Kimberley region.

To further emphasise the need that Indigenous education be accorded mainstream education priority, a requirement has been attached to General Recurrent Grants funding for 2005–08, provided under the *Schools Assistance Act 2004*. Government education authorities and non-government school systems are required to provide an annual Indigenous Education Statement. States, territories and non-government school systems will report on operating costs for Indigenous education; initiatives funded through General Recurrent Grants; their goals for Indigenous education; progress in achieving those goals; barriers faced; and strategies for overcoming those barriers. These statements will be a requirement in 2006 and will be a data source for the annual National Report to Parliament on Indigenous Education and Training.

On 12 May 2005 the Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) agreed that improving outcomes for Indigenous students is the top priority for MCEETYA for the 2005–08 quadrennium. Ministers have established a working party, to report to MCEETYA in December 2005, on mechanisms for closer collaboration, improved funding arrangements and effective programs to improve the outcomes for Indigenous students. The NIC will be meeting with the working party to discuss options.

Another critical area where progress is vital is Indigenous health. Indigenous-specific health initiatives and mainstream health funding need to combine to improve outcomes.

### Improving responsiveness in health

The Department of Health and Ageing has worked to improve the responsiveness of mainstream programs, emphasising the need for relevant programs to take responsibility for Indigenous health and to participate in the development and funding of SRAs. Throughout 2004–05 the Office for Aboriginal and Torres Strait Islander Health actively promoted the new Indigenous affairs arrangements and generated a heightened awareness and responsiveness to the health issues faced by Indigenous Australians.

All programs contribute to the Aboriginal and Torres Strait Islander Health Portfolio Business Plan and report against it regularly. All bilateral negotiations across mainstream and Indigenous-specific programs are guided by the COAG principles which have been widely disseminated.

The low uptake and/or inaccessibility of mainstream services remains one of the greatest challenges for government, and progress in this area can be difficult to achieve. In most areas, information is not yet available to assess the use of mainstream programs by Indigenous people. Improving the range and currency of this kind of information is an area where we need to do further work.

### Complementary mainstream and Indigenous-specific programs

The mainstreaming of former ATSIC and ATSIIS programs created opportunities for aligning them with mainstream programs. Secretaries are reforming and re-engineering their Indigenous-specific programs to ensure they connect with the mainstream service system. This has been taken up actively, for example, in the area of employment services and support for the establishment of Indigenous businesses. Reform to the CDEP program has been actively pursued over the past year.

Outdoor production of *Crying Baby*, near Gunbalunya, in Arnhem Land, Northern Territory. A co-production with local Aboriginal people and professional performers, from the Darwin Festival.



Photographer: David Hancock. © SkyScans.

## Community Development

### Employment Projects reforms

In 2005–06, DEWR will work in partnership with CDEP organisations to build on the program's success over the past 28 years. The aim is to reinvigorate it to ensure that CDEP meets the needs of Indigenous people in 2005 and into the future. The planned future directions follow an extensive consultation process and include:

- emphasis on a unique mix of employment, community and business activities tailored to local circumstances
- a new funding model which places greater emphasis on funding for activities
- stronger emphasis on results (with targets for employment, community activities and business development)
- developing capacity-building plans with organisations to deal with areas where the CDEP needs support to achieve better results.

## Reform to mainstream employment programs lead to improved outcomes

DEWR has achieved considerable success in reforming and re-engineering its Indigenous-specific and mainstream programs to ensure they work together seamlessly.

- All Job Network members in areas with high Indigenous populations are required to demonstrate their expertise in assisting Indigenous job seekers.
- Specific fee-for-service arrangements with Job Network providers have been developed in consultation with the Indigenous communities and been implemented in a number of localities, including in the Northern Territory and Western Australia, to reflect particular circumstances and local labour market needs.
- Success in Indigenous employment is given high priority in performance monitoring of Job Network providers. The number of Indigenous clients placed in jobs by Job Network members rose from 22 000 in 2003–04 to 39 100 in 2004–05.
- Indigenous-specific programs which supplement mainstream employment services provide tailored support to Indigenous jobseekers. These include the Structured Training and Employment Projects, the Wage Assistance Program, the Corporate Leaders for Indigenous Employment Project and the Indigenous Small Business Fund.

- The proportion of jobseekers in employment and/or education in the three months following participation in these programs rose from 70.5 per cent in 2003–04 to 73.7 per cent in 2004–05. The number of projects supported by the Indigenous Small Business Fund rose from 51 in 2003–04 to 61 in 2004–05. Over the same period there was a significant rise in the number of applications for Indigenous Community Volunteers from 153 to 218, while the number of Corporate Leaders for Indigenous Employment rose from 61 to 68.

### Indigenous Stock Exchange

The Regional Partnerships Program is a broad-based national program open to regional communities, including Indigenous communities, who wish to strengthen growth and opportunities, improve access to services, support planning, and assist in structural adjustment to major economic, social or environmental change. The program has assisted the Yawuru Indigenous Stock Exchange project, located in Broome, which aims to support the creation of 1000 new strong and sustainable Indigenous businesses across the country by 2008. The Indigenous Stock Exchange encourages Indigenous entrepreneurs and business people to promote their ideas and multiply the opportunities for employment and trade within Indigenous communities.

### Indigenous Youth Mobility Program

The Indigenous Youth Mobility Program (IYMP) will provide at least 600 young Indigenous people from remote areas with access to a broad range of training and employment opportunities on offer in major regional centres in Cairns, Townsville, Toowoomba, Newcastle, Dubbo, Canberra, Shepparton, Adelaide, Perth and Darwin. The focus is on accredited training options including New Apprenticeships across a range of occupations and tertiary pathways in nursing, teaching, accountancy and business management—fields where remote communities seek qualified Indigenous people. IYMP training and employment providers will arrange appropriate training for participants in consultation with their families/significant others. Safe and supported accommodation, based on a group housing model, will be provided by Aboriginal Hostels Limited. IYMP participants will be provided with the support and mentoring they need to have every chance of completing the qualifications they seek and to remain connected with their home communities.

### Indigenous Youth Leadership Program

In the next four years the Indigenous Youth Leadership Program (IYLP) will provide 200 secondary school and 50 university scholarships for young Indigenous Australians through voluntary participation, to embrace high quality educational opportunities. Scholarship participants will be supported to undertake educational, personal and community development including orientation, study tours and practical leadership experience. To ensure the cultural integrity of the IYLP a National Indigenous Elders Advisory Group will advise on the program including the selection of students and on appropriate mentoring and support strategies.

### Flexible funding arrangements

It has been important to develop more flexible funding arrangements to support priority directions and respond to Indigenous needs. This has been progressed at both a macro and micro level.

In April 2005, the MTF took a Single Indigenous Budget Submission to Cabinet for the 2005–06 Budget. This reflected a collaborative process, enabling Budget proposals to be considered across portfolios against the MTF's three strategic priorities. This was a major change, both structurally and culturally, from traditional competitive bids for Indigenous funds between portfolios, and was the first time such a broad-ranging coordinated set of proposals for expenditure on Indigenous affairs was considered by Cabinet.

### Single Indigenous Budget Submission

The 2005–06 Budget process resulted in extended and additional Australian Government Indigenous expenditure of more than half a billion dollars over the next four years—more than half of which has been redirected from mainstream program sources. Total Australian Government Indigenous funding is estimated to increase by \$214 million to a record \$3.144 billion in 2005–06.

In later years, the Single Indigenous Budget Submission process will progressively facilitate the re-allocation of funds to activities that support national priorities and which performance reporting indicates are most effective in overcoming disadvantage.

The concept of a cross-portfolio flexible funding pool was adopted in the COAG trial sites. The intention was to achieve more tailored outcomes for communities, through improved intra- and inter-government coordination, and the ability to find more innovative solutions to the challenges communities face. A larger flexible pool has been established to support development of SRAs, with agencies also contributing to SRA initiatives.

## Streamlining service delivery

In the changeover to the new arrangements, it was critical to ensure a smooth transition without interruption to services. Collectively, we managed the 2005–06 electronic grants submission round to ensure that the new arrangements were effective for Indigenous community organisations. The application and decision-making processes were coordinated across government through the ICC network using a common program application form and single Program Funding Agreement for the majority of former ATSIC and ATSIIS programs.

OIPC has also initiated an analysis of the nature and extent of the administrative burden or 'red tape' faced by organisations that provide services to Indigenous communities. A consultant chosen through a tender process will work with up to 29 specified organisations in 15 to 20 mainly discrete Indigenous communities to:

- map contracts and funding agreements with these communities and community organisations
- describe the projects funded under these contracts and agreements
- report on duplication, and recommend ways to reduce any undue administrative burden while maintaining appropriate levels of accountability.

A small number of pilot studies will investigate ways to simplify dealing with government, and to test assumptions identified through the 'red tape' evaluation.

## Working across portfolios

One of the challenges that we are grappling with is the accountability implications of the shift to whole-of-government working. We need to achieve a good balance between our traditional (vertical) accountabilities to our individual government ministers and our collective, whole-of-government (horizontal) accountability for the implementation of well-coordinated Indigenous policies and programs.

This challenge particularly impacts on staff in ICCs. While much of this is dealt with on a case-by-case basis, we are also looking at underlying structural issues which may provide a more satisfactory approach in the longer-term. Among the greater challenges here are the service-wide arrangements for Budget appropriations, approval of expenditure, acquittal of funds, and external audit. These arrangements are largely based on vertical accountabilities within individual agencies and considerable further work is needed to identify more flexible options that would not diminish proper accountability for the use of public resources.

## Working with the states and territories

The new arrangements are facilitating changes in the way the Australian Government is doing business with states and territories. When COAG established its *National Framework of Principles for Delivering Services to Indigenous Australians* in 2004, it also agreed that the Australian Government and state and territory governments would work bilaterally to determine a way forward on the key principles.

OIPC and the Department of the Prime Minister and Cabinet are jointly leading the negotiations for the Australian Government. These negotiations have taken place in a spirit of cooperation and collaboration, with jurisdictions taking the opportunity to tackle areas where the lack of clarity about government responsibility has hampered service delivery. There have been significant breakthroughs in some areas, particularly in the Northern Territory, but also good progress with several other states.

Group of children walking, Aurukun, Queensland.



Photographer: Kerry Trapnell.

## Landmark bilateral agreement with the Northern Territory

In April 2005 an overarching bilateral agreement was signed by the Prime Minister and the Chief Minister for the Northern Territory. This sets out the agreed positions on priority areas for bilateral action, including streamlining of existing programs, minimising administrative costs of programs, and ensuring that whole-of-government machinery is working to support better outcomes. It also commits governments to immediate work on:

- integrating the delivery of housing services under one level of government (Northern Territory) and one common policy framework
- establishing Regional Authorities (local government bodies) to improve local service delivery and representation
- coordinated planning and delivery of Indigenous arts centres support programs.

A range of other cooperative work has also started to show results. This includes the use of place managers to assist communities under stress and joint strategies for tackling petrol sniffing.

### Addressing the problem of petrol sniffing

Petrol sniffing in central Australia transcends state and territory borders and is not something that the Australian Government can address by itself. The changed arrangements in Indigenous affairs have provided an excellent basis for us to develop and implement a comprehensive strategy across a significant part of the central desert region, working cooperatively with the governments of the Northern Territory, South Australia and Western Australia. The Department of Health and Ageing and the OIPC are jointly leading the development of this comprehensive strategy.

The eight-point strategy to assist communities to tackle the issue of petrol sniffing and other substance abuse includes: a consistent legislative framework; appropriate levels of policing; further roll out of non-sniffable fuel; providing alternative activities for Indigenous people in the area; providing treatment and respite facilities; a communication strategy; strengthening and supporting communities; and evaluation.

A long-term commitment is required from all governments to support communities to tackle this issue. The Australian Government has made this commitment.

A major theme which is emerging in this work is the desire of governments to regularise arrangements for Indigenous people so that they have the same rights and opportunities as other Australians. Governments are exploring ways to:

- reform land tenure arrangements to facilitate home ownership and business development
- support new local government arrangements to enable Indigenous people to have the same democratic rights and accountabilities as other Australians
- rationalise and clarify the current mix of responsibilities between the Australian Government and state and territory governments to reflect standard arrangements for non-Indigenous Australians.

### Recognising the need for services to take account of local circumstances

We know that the 'one size fits all' policy approach is not appropriate and we must take care to acknowledge different needs in our current effort to increase access to mainstream services. Local, personal and demographic factors will affect the needs of individuals, families and communities, a fact which increases the challenge of meeting the needs of urban, rural and remote communities. Furthermore, the diversity of Indigenous circumstances means that care must be taken to develop local or regional arrangements that are accepted by the majority of Indigenous people.

## Broadcasting

In 2004–05, the \$12.8 million Indigenous Broadcasting Program (IBP) supported access in remote communities to national and commercial broadcasting services similar to those available to Australian citizens generally. It also contributed to the revival, rebuilding and maintenance of Indigenous cultural identity by assisting a network of over 120 radio services that broadcast culturally specific radio programs throughout Australia, including via satellite in remote Indigenous communities. The IBP gives Indigenous Australians a voice in their local community, is a conduit for the broadcast of information about government services and provides an important source of employment and skills development opportunities particularly in remote communities. In 2004–05 the Department of Communications, Information Technology and the Arts also completed a review of the viability of an Indigenous television service, and identified a number of options for providing a new focal point to further develop Australia's Indigenous television sector.

## Family Violence Prevention Legal Services

The Attorney-General's Department is responsible for a network of 26 Family Violence Prevention Legal Services (FVPLS) units, providing culturally appropriate assistance to Indigenous victims of family violence, including sexual assault. The units provide legal assistance, case work and court support, as well as non-legal services such as counselling. Thirteen units were operational in 2004–05, each assisting between 500 and 700 individuals annually.

A 2004–05 Australian Government Budget initiative provided \$22.7 million over four years to fund the expansion of the program from 13 to 26 units. The new units are located in predominantly rural and remote areas according to highest need, identified through research conducted by the Crime Research Centre at the University of Western Australia, combined with stakeholder feedback. Also in 2004–05, a partnership agreement with the Australian Indigenous Leadership Centre saw Certificate IV training provided to 22 Indigenous FVPLS unit staff, with support from the National Network of Indigenous Women's Legal Services.

## Establishing transparency and accountability

Some promising signs that the new arrangements in Indigenous affairs are making a difference are detailed in the break out boxes throughout this report. However, it will take some years to be able to report comprehensively on the impact of the new arrangements for Indigenous Australians.

The regular *Overcoming Indigenous Disadvantage* report prepared for COAG provides much useful information. However, the authors have noted difficulties in obtaining performance information for some programs and services for Indigenous Australians. For example, the routine capture of the Indigenous identifier, and the quality of that capture, needs to be improved in a number of administrative collections.

The report also needs to be complemented by a robust, whole-of-government accountability and performance reporting framework for the Australian Government's programs and services. We need stronger performance indicators and a more systemised way for capturing and, more importantly, regularly reporting this information. We also need to focus more on how funding or service interventions are making a difference in the life circumstances of Indigenous Australians.

We have begun addressing this through the development of an Australian Government Indigenous Management Information System (AGIMIS); improved performance indicators for our programs and services; and a whole-of-government Indigenous information plan with strategies to address our knowledge gaps.

We are also looking to enter into performance information sharing agreements with state and territory governments, as schedules under the bilateral agreements. For example, the most recent quadrennium funding arrangements for Indigenous education incorporate improved reporting and performance information; and health ministers have agreed to a new National Aboriginal and Torres Strait Islander Health Performance Framework.

David Kenny, Fleet Coordinator and Property Officer and Charmaine Nichols, Services Branch Manager, at Central Australian Aboriginal Congress, in Alice Springs.



Photographer: David Hancock. © SkyScans.

## National Aboriginal and Torres Strait Islander Health Performance Framework

The Health Performance Framework was endorsed in-principle in January 2005 by the Australian Health Ministers Council and the first report against it will be published in 2006. The Framework is a major advance in performance reporting for Indigenous health. It was developed by the Australian Government and the state and territory governments to measure health outcomes for Indigenous Australians, the effect of the determinants of health, and the performance of the health system for Indigenous Australians.

The Health Performance Framework will provide the basis for quantitative measurement of the impact of the National Strategic Framework for Aboriginal and Torres Strait Islander Health (NSFATSIH). It will also provide an opportunity to streamline reporting on Aboriginal and Torres Strait Islander health and health care delivery. The performance measures selected for the Health Performance Framework are based on the key policy questions arising from the objectives identified in the National Strategic Framework.

The Health Performance Framework recognises the need for a whole-of-government approach to addressing Indigenous health disadvantage.

It will inform policy development in both the health sector and other areas that impact on health outcomes, including housing, environmental health and education.

## Building the evidence base

Although much is known about levels of disadvantage in the Indigenous population, we know less about what works to reduce disadvantage, and why. It is a picture that is complicated by programs and services that work well in some circumstances and not in others. For example, it is becoming increasingly clear that many of our services cannot make an impact in their local community when law and order arrangements have broken down, or the sequence of activities is wrong. While there is a strong evidence base for some programs, there are others, some of longstanding existence, where the evidence about their effectiveness is scarce.

## Indigenous children: improving our understanding

Innovative research being undertaken by the Department of Family and Community Services includes *Footprints in Time*, the Longitudinal Study of Indigenous Children (LSIC), an Australian Government initiative announced in the 2003–04 Budget. The study aims to improve the understanding of, and policy response to, the diverse circumstances faced by Aboriginal and Torres Strait Islander children, their families, and communities.

*Footprints in Time* will provide a data resource that can be drawn on by Australian governments, researchers, service providers, parents and communities. This resource will provide a better insight into how a child's early years affect the way they develop and mature.

There is a considerable research and evaluation task to ensure our work is informed by the best available evidence. This is an ongoing process of improvement and learning, not necessarily responsive to short-term strategies.

### Accountability framework

The new arrangements are supported by a comprehensive accountability framework, with multiple layers. Alongside the normal auditing role of the Australian National Audit Office, the new arrangements will also be subject to independent audit, evaluation and review by the Office of Evaluation and Audit (Indigenous Programs) and the Aboriginal and Torres Strait Islander Social Justice Commissioner.

Each department will conduct monitoring, audits and evaluations of mainstream and Indigenous-specific programs, with performance information to be included in departmental Portfolio Budget

Statements and annual reports. Australian Government administrative data are being automated through AGIMIS. In this way we can analyse the whole-of-government Indigenous-specific expenditure and purchased outputs on a disaggregated basis.

OIPC will undertake evaluations of activities that cross or go beyond organisational boundaries, such as SRAs. This work will particularly focus on:

- the way in which policies and programs at a national level join to achieve outcomes for Indigenous people
- the way in which governments and their programs work with and in local communities and how they can be made more responsive to the needs of those communities
- continuously improving the way governments are implementing the Australian Government's policies and programs.

Aboriginal choreographer Gary Lang rehearsing at Corrugated Iron Theatre, Darwin, Northern Territory.



Photographer: David Hancock. © SkyScans.

Performance monitoring and reporting will also be assisted by statistical reports from independent data providers such as the Australian Bureau of Statistics, the Australian Institute of Criminology, and the Australian Institute of Health and Welfare.

We have developed a framework to evaluate SRAs, so that we can learn from positive experiences. Typically, each SRA includes a small number of performance indicators that will be monitored. We will be commissioning independent reviews of SRAs, commencing in 2006. In addition, the SRA approach will be subject to an implementation review in 2006 and an outcomes review within three years.

In respect of the COAG trials, we are aiming to have each of the sites independently evaluated by early 2006. We have agreed a bilateral approach to the evaluations with most states and territories. This is the first of two planned independent evaluations. The second evaluation is targeted for the 2007–08 financial year. Again, to make the lessons of the COAG trials available to our staff and Indigenous communities, we are planning a meta-evaluation of the individual site evaluations.

## Developing a learning framework

We are committed to operating in a learning framework—to sharing information and experience about what is working and what is not. We need to test new ways of working with Indigenous Australians and new strategies to tackle Indigenous disadvantage. Where mistakes are made, it is important that we learn from this and progressively adopt approaches that work best.

The monthly Secretaries' Group meetings have been an important mechanism for ensuring all agency heads share a common vision and direction. Ensuring that every layer of every agency shares this vision and direction is a challenge we are addressing through training, change management programs and All Staff Bulletins released following Secretaries' Group meetings.

Witiana Marika, Aboriginal Liaison Officer at Nabalco, on the Gove Peninsula, Northern Territory, giving out mining information at a business expo, in Darwin.



Photographer: David Hancock © SkyScans.

## Focussing on priority issues: the year ahead

In discussing future priorities, the NIC and MTF have begun to focus on wider systemic reforms. These include the role of mainstream services and the importance of culturally appropriate service delivery; the effective provision of essential services to remote communities and the treatment of homelands; and support for Indigenous economic development including improved outcomes from Indigenous-owned land.

While it is apparent that the MTF priorities generally reflect views of many Indigenous community members, a range of significant issues arises in focussing on these priorities. In seeking to direct resources to where they can make the most difference to Indigenous lives, we find ourselves grappling with issues which, while by no means unique to Indigenous affairs, have an unusually sharp edge in the Indigenous context. These include the general community expectation that scarce resources will be targeted towards areas of greatest need, which in turn presupposes a process of needs-based planning. Such processes can sometimes seem unresponsive to the perceptions of people faced by disadvantage on all fronts.

In some communities, the degree of disorder is so great as to constitute a crisis. Difficult decisions must be reached on the balance between dealing with the immediate risks and building the underlying capacity of the community.

Priorities for the year ahead include:

- progressing the three MTF priorities
- establishing SRAs and RPAs supported by multipurpose program funding in each agency
- effective engagement with Indigenous Australians and capacity-building support
- continued development of bilateral agreements with the state and territory governments
- greater engagement with the corporate and non-government sectors
- continuing to improve our own capacity to work in a whole-of-government way, including strengthened efforts to recruit and develop Indigenous staff in the APS.

The more intensive work with communities and regions is expected to encompass some of the following elements:

- supporting the community to develop its long-term strategic goals, building on planning that many Indigenous communities have already done, and identifying the practical steps needed to achieve these goals
- a family and community development component, including empowering communities to negotiate strategically with government, where this is not already the case

- mapping the assets of a community, including people, infrastructure and other physical assets, so that these can be drawn into the overall effort to support the community's development aspirations
- strengthening our collaboration with the NIC, particularly on issues of wider reform
- governments identifying how they will strategically package the funding that supports the community in achieving its goals.

Regularising service delivery arrangements for Indigenous Australians, notably those in remote Australia, requires addressing a range of issues. A critical area for attention in this context is the provision of essential water, power, sewerage and waste disposal services in remote communities. Access to essential services is often patchy and communities can rely heavily on Indigenous-specific programs—such as CDEP and the Community Housing and Infrastructure Program (CHIP)—for basic services generally enjoyed by other Australians.

Essential services also suffer from a shortfall in resources, including low levels of local revenue, for example non-rateable land, where communal ownership can be an issue. Another example is low or no user charging; in a situation of over-crowding, responsibilities are diffuse and charging tends to be avoided as it may fall disproportionately on women who already carry the main burden of caring for children and extended family.

Some communities lie outside of local government areas, and some discrete communities that lie within local government areas appear to receive minimal (if any) services under standard arrangements. For example, federal Financial Assistance Grants for local government appear to have very limited reach in some jurisdictions.

Failure to deliver adequate essential services inhibits improvements in health and related outcomes. It also inhibits the capacity to deliver other services and successfully implement SRAs. Solutions must reach beyond the boundaries of any given community and will involve changes to the roles and responsibilities of all three tiers of government.

Secretaries are pursuing strategies to achieve better outcomes in this area, including new approaches under bilateral agreements with state and territory governments; and better leveraging CHIP and CDEP under the new whole-of-government arrangements. An example of this is using CDEP reforms to provide municipal services on a commercial basis in Cape York. Partnerships between agencies under an SRA and RPA may also provide opportunities to extend viable coverage of essential services regionally, through joint or cross-agency provision of facilities and services.

The Government is committed to maintaining Indigenous Australians' access to income support entitlements available to other Australians, but some current arrangements require reform. In many, especially smaller, remote communities, there will not be unsubsidised real jobs for everyone of workforce age. However, there is no reason not to seek better employment and participation outcomes for Indigenous Australians, reducing boredom and dependence on passive welfare.

The Government is moving to remove remote area exemptions for certain working age income support recipients by providing participation opportunities. Other options to ensure the capacity of Indigenous Australians to make an active contribution to their communities are currently being explored at the local level.

Where opportunities and support for Indigenous people to participate in the economy through employment have been lacking, considerable effort may need to be invested in building individual and community capacity to engage with the world of work, as well as supporting employers.

The Indigenous Economic Development Strategy, now being finalised, will help focus the achievement of outcomes for Indigenous Australians in the key areas of work and asset and wealth management. This includes helping Indigenous Australians successfully access real jobs; supporting business and entrepreneur development; continuing to increase Indigenous levels of home ownership; and ensuring Indigenous communities are able to access other economic development opportunities.

Djilk Ranger Rodney Clifton examining native yams being cultivated in the nursery for a bush tucker program, Bawinanga AC, Maningrida, Northern Territory



Photographer: David Hancock. © SkySeams.

## Conclusion

After one year, the foundations have been laid for significant improvements in outcomes for Indigenous Australians. However it will take some time for these to be consolidated and reflected in published socioeconomic indicators. We are now seeing signs of better coordination across government. Mainstream programs and services are making a greater effort to help Indigenous Australians, and more productive partnerships between governments and Indigenous Australians are beginning to emerge.

We have attempted to document our collective efforts through this report. Through ICCs, SRAs and RPAs, we have set in place new mechanisms for working more effectively with Indigenous Australians. Our bilateral agreements with state and territory governments point to a new cooperative federalism in Indigenous affairs. We are improving the delivery of mainstream programs and services to Indigenous Australians, and seeking to ensure that they work more seamlessly and effectively with the Indigenous-specific services.

Our report cites a number of innovative and successful local and regional initiatives which are giving communities hope. They are showing that better things are possible. At a national level there are also encouraging signs.

Over the next year, we will continue with the reform process across the spectrum of policy development, program management and service delivery. We will be open to making further changes to the way we do things in the light of experience, and will continue to build strong relationships with Indigenous Australians. We will look for evidence that things are working better on the ground, but must be realistic about the long-term nature of some of the changes we are working to bring about.

Our first year under the new arrangements has been demanding. We know that Indigenous Australians have also put in significant amounts of work to make positive changes in their communities. Together we have built a solid platform for accelerating the achievement of better outcomes for Australia's Indigenous people. In our future reports we expect to see a growing return on this effort as we continue working together in partnership.

Napranum resident Bo Bosuen fishing on the wharf at Weipa, Queensland.



Photographer: Kerry Trapnell.





