CLOSETHEGAP

Close the Gap Campaign Steering Committee

Submission in response to the A New System for Better Employment and Social Outcomes Interim Report

13 August 2014

Table of Contents

1	Int	roduction	2
2	Principles to guide welfare reform		
3			
4	The four pillars of reform		5
	(a)	Simpler and sustainable income support system	6
	(b)	Strengthening individual and family capability	7
	(c)		
	(d)	Building community capacity	
Ар		1: Membership and a brief history of the Close the Gap Campaign Steerin	_
Ар		2: Outline of Sen's Capabilities Framework and how it may apply to dressing Aboriginal and Torres Strait Islander Disadvantage	13

1 Introduction

- 1. The Close the Gap Campaign Steering Committee welcomes the opportunity to respond to the A New System for Better Employment and Social Outcomes Interim Report (the Report) into the Australian welfare system.
- 2. Australia's peak Aboriginal and Torres Strait Islander and non-Indigenous health bodies, health professional bodies and human rights organisations operate the Close the Gap Campaign. See Appendix 1 for the membership and a brief history of the Close the Gap Campaign Steering Committee.
- 3. Closing the gap in Aboriginal and Torres Strait Islander health and wellbeing outcomes in a generation is a long term objective and requires a long term commitment that will span policy cycles, funding agreements and governments. Consequently the Campaign Steering Committee places great significance on the issue of employment and welfare reform as a key social and cultural determinant of health. As Chair of the Prime Minister's Indigenous Affairs Council, Warren Mundine said at the The Baker IDI Central Australia Oration:

Poverty is both a cause and a result of poor health. People living in poverty live in environments that make them sick with inadequate housing or overcrowding, for example. Poor health in turn keeps people and communities in poverty.

4. The socio-economic determinants of health inequality have historical and structural causes which require a holistic approach to policy and service delivery that is driven by Aboriginal and Torres Strait Islander peoples, through their peak and local organisations and leaders. Employment impacts on income impacts on

housing which impacts on health which impacts on education which impacts on employment and so on. This vicious circle of disadvantage is the result of colonisation and its ongoing presence in the structures of our society.

In contrast to non-Indigenous Australians, Indigenous individuals and groups have long located their ill-health in the context of macro-social factors such as colonialism, dispossession from country, poverty and institutional racism.²

5. It would have been our preference to develop this response over a longer period of time than the allotted six weeks given the complexity of the issues addressed in the report. As a coalition of close to forty Aboriginal and Torres Strait Islander and non-Indigenous health and human rights organisations, our comments should be read as concerned with raising issues and opening up dialogue rather than an attempt at a fixed consolidated position.

2 Principles to guide welfare reform

- 6. The Campaign Steering Committee takes a human rights approach to achieving Aboriginal and Torres Strait Islander health equality, which is highly relevant to how governments provide income support, strengthen individual and family capability and improve access to employment. The rights based approach forms a core part of the Campaign Steering Committee's operations and policy deliberation and in relation to social determinants of health includes the following principles:
 - **Rights:** Right to an adequate standard of living, including food, water and housing.
 - **Participation:** Aboriginal and Torres Strait Islander peoples participating in decisions that affect them, including through their own representative bodies.
 - **Partnership:** Shared decision-making between Governments and Aboriginal and Torres Strait Islander peoples and their own representative bodies.
 - **Leadership:** Closing the Gap requires a national effort with the Federal Government leading the work with all states and territories. The Commonwealth has the responsibility to advocate for and coordinate their own, States and Territories efforts.
 - **Evidence:** Research findings and the evidence base informing the development of programs, policies and practices.
 - Quality: All facilities, goods and services for Aboriginal and Torres Strait Islander peoples, whether delivered by Indigenous specific providers or the mainstream, are culturally secure and are of the highest quality.
 - Sustainability: Investment in prevention and early intervention over the long term.

- Empowerment: Aboriginal and Torres Strait Islander peoples taking responsibility for and making decisions about their physical, spiritual, cultural, social and economic wellbeing.
- Capacity building: Building and supporting Aboriginal and Torres Strait Islander leadership, expertise and capacity.
- 7. We also point to the following principles underpinning Oxfam's development work as ways to address poverty as a determinant of ill health. Oxfam's work neatly summarises our approach to addressing poverty:
 - Recognises that imbalances in **power relations** contribute to marginalisation and prevent poor people from exercising their rights;
 - Is **participatory**, recognising that all people, including those living in poverty, have a right to be involved in processes that impact on their lives.
 - Recognises that all development actors and all stakeholders are accountable to one another.
 - Promotes equality and non-discrimination, with a particular focus on vulnerable or marginalised people(s).
 - Is holistic recognising that economic poverty has deeply felt social, cultural
 and political causes and effects, and that the spectrum of human rights must
 be understood together to constitute the basic necessities for a life of dignity
 and freedom.
 - Recognises that rights also involve **corresponding responsibilities** the fact that we all have human rights means we are also all duty bearers.
 - Makes use of existing legal systems, and, depending on the context, develop links between development goals and international human rights laws.

3 Recommendations

8. In regards to the matters addressed in the Report, the Campaign Steering Committee makes the following recommendations:

Recommendation 1: That the following principles should guide social security policy:

- Income support reform is focused on reducing poverty, system complexity, and exclusion from employment.
- No disadvantaged group is worse off.
- Payments are targeted to need.
- The system supports and encourages employment participation or educational/training opportunities.

- The employment services system needs to be more responsive to the needs of both jobseekers and employers and be culturally competent.
- Developed in partnership with the groups affected by the measures.

This should occur through incentives rather than financial punishments.

Recommendation 2: That the Federal Government, in conjunction with state and territory jurisdictions, work with and appropriately resource Aboriginal community controlled health and wellbeing services to develop targeted approaches to families in need of support.

Recommendation 3: In relation to employment opportunities, that consideration be given to the opportunities which are presented by the health sector, which is the leading employer of Aboriginal and Torres Strait Islander peoples.

Recommendation 4: That income management should be voluntary and part of a case-managed, financial management skill approach rather than punitive or area/race based.

Recommendation 5: In relation to employment services that:

- Cross-cultural competence training be mandatory for employment services.
- They employ of Aboriginal and Torres Strait Islander liaison workers.
- Employers be encouraged to participate in appropriate cross-cultural competence training.
- Employers and employment services are trained to better understand mental health and social and emotional wellbeing in Aboriginal and Torres Strait Islander peoples.

Recommendation 6: That the Federal Government work with Aboriginal and Torres Strait Islander peak health and welfare organisations to investigate and develop an Aboriginal and Torres Strait Islander peoples outcomes framework that would guide and drive community service provision to Aboriginal and Torres Strait Islander communities.

4 The four pillars of reform

- 9. We are pleased that in identifying the four pillars of reform the Report recognises the need for an empowerment approach that seeks to make people active agents in improving their socio-economic situation. Campaign Steering Committee members are interested in employment and welfare reform because of its association with health outcomes. We support an approach to empowerment that is informed by a human rights perspective. A human rights perspective recognises affected communities as agents of their future. Welfare reform in this context must, therefore, be based on recognising the social determinants of disadvantage and empowering people to take responsibility for their rights by exercising their own agency.
- 10. It is important to note that historically, until the 1960s, Aboriginal and Torres Strait Islander peoples were intentionally excluded from the welfare system.³ Since

then, the efficacy of welfare provision to Aboriginal and Torres Strait Islander peoples has been a matter of great debate and contention. Often, that debate unfairly characterises Aboriginal and Torres Strait Islander peoples as 'welfare-dependent' and the actions of governments have treated them collectively as 'client communities' rather than self-determining peoples. From our perspective, there are specific issues concerning Aboriginal and Torres Strait Islander peoples as First Peoples and what their rights and status as First Peoples, as well as their history as peoples who have been dispossessed and discriminated against, means for the welfare system. Unfortunately, the Report does not provide any consideration of those issues. There is an overlap between the need to address historical wrongs and what the welfare system can or should provide which we believe needs further consideration. The Steering Committee hopes that other avenues for these considerations will be provided in the future, given the Prime Minister's commitments to reconciliation.

- (a) Simpler and sustainable income support system
- 11. The Campaign Steering Committee believes that there is a need for measures that provide for income security to prevent, or at least ameliorate, poverty and ill-health. Those measures should also be enabling and empowering so that recipients are encouraged, if able, to seek employment or further education as a means to improving their outcomes.
 - 12. The Campaign Steering Committee believes that the welfare system needs to better respond to the needs of Aboriginal and Torres Strait Islander peoples with episodic mental health conditions, by providing a flexible system which encourages and supports employment and provides a strong safety net.
- 13. The Campaign Steering Committee however has serious concerns about the Federal Government proposals to, for example, delay unemployment benefits to young people and to arbitrarily force single parents to seek employment when their children turn eight are unlikely to address issues of poverty and disadvantage. We believe such a punitive approach will only exacerbate and further entrench poverty.
- 14. **Recommendation 1:** That the following principles should guide social security policy:
 - Income support reform is focused on reducing poverty, system complexity, and exclusion from employment.
 - No disadvantaged group is worse off.
 - Payments are targeted to need.
 - The system supports and encourages employment participation or educational/training opportunities.
 - The employment services system needs to be more responsive to the needs of both jobseekers and employers and be culturally competent.

Developed in partnership with the groups affected by the measures.

This should occur through incentives rather than financial punishments.

- (b) Strengthening individual and family capability
- 15. The Campaign Steering Committee is pleased with the Report's focus on resilience and empowerment. The emphasis on early intervention is most welcome with its emphasis on developing measures that work with risk communities and population and provide case management in collaboration with communities. We see a positive role for developing wrap around services, particularly for people with complex needs, such as severe and persistent mental health conditions, through a rights based approach. The focus on resilience and empowerment should mean that the strengths of communities form the basis of localised approaches as well as evidence-based analysis of the causes of disadvantage in those communities. In this regard Aboriginal community controlled health and wellbeing services are best placed to be the agents of positive change in those communities. Many are experienced in delivering holistic community based family services and ill-health preventions services.⁴
- 16. **Recommendation 2:** That the Federal Government, in conjunction with state and territory jurisdictions, work with and appropriately resource Aboriginal community controlled health and wellbeing services to develop targeted approaches to families in need of support.
- 17. Importantly the health sector is also the biggest single employer of Aboriginal and Torres Strait Islander people currently employing 14.6% of employed Aboriginal and Torres Strait Islander people. More than 3,500 Aboriginal people are employed in community controlled organisations as doctors, specialists, nurses and administrators and, given the increasing demand for their services, have the potential to employ and train many more. Aboriginal and Torres Strait Islander health services and community controlled organisations provide pathways to employment for community members through internships and 'in-house' training, reducing welfare dependency and connecting individuals, families and communities to the wider economy. Better resourcing and an expansion of this sector would solve some of the issues relating to Aboriginal unemployment while improving the health and providing benefits to local and regional employers.
- 18. **Recommendation 3**: In relation to employment opportunities, that consideration be given to the opportunities which are presented by the health sector which is the leading employer of Aboriginal and Torres Strait Islander peoples.
- 19. As the Report suggests, the evaluations of income management have produced mixed results. Our view is that income management should be voluntary and part of a case-managed, financial management skill approach rather than punitive or area/race based.
- 20. As the report states:

Submission in response to the A New System for Better Employment and Social Outcomes Interim Report – August 2014

The broader social support system should work in tandem with the income support system to assist those most in need. This includes well-functioning employment services, housing assistance, child care, and early intervention and integrated services for people and families with complex needs, such as homelessness, mental health conditions and drug or alcohol addiction⁶

- 21. **Recommendation 4**: That income management should be voluntary and part of a case-managed, financial management skill approach rather than punitive or area/race based.
 - (c) Engaging with employers
 - 22. Ensuring cross-cultural competence is an essential tool in enabling employment services and employers in general to provide work environments which are embracing of Aboriginal and Torres Strait Islander peoples. Particularly given the challenges of closing the gap in employment levels between Aboriginal and Torres Strait Islander peoples and non-Indigenous people, it is important that employments services are able to liaise effectively with Aboriginal and Torres Strait Islander communities and organisations and provide a service which is both itself cross-cultural safe and provide an advisory bridge to employers that encourages cross-cultural safety. These aims can be achieved through the employment of Aboriginal and Torres Strait Islander liaison workers within employment services and the facilitation of cross-cultural training by certified Aboriginal and Torres Strait Islander cross-cultural trainers. The reality is that Aboriginal and Torres Strait Islander peoples frequently experience cultural ignorance or at worse direct racism in the workplace which acts as a disincentive for their participation in mainstream employment. 7 Racism experienced in the workplace also contributes to poorer mental health, which is an additional barrier to workforce participation.
- 23. **Recommendation 5**: In relation to eployment services that:
 - Cross-cultural competence training be mandatory for employment services.
 - They employ of Aboriginal and Torres Strait Islander liaison workers.
 - Employers be encouraged to participate in appropriate cross-cultural competence training.
 - Employers and employment services are trained to better understand mental health and social and emotional wellbeing in Aboriginal and Torres Strait Islander peoples.
 - (d) Building community capacity
- 24. In terms of building community capacity for a particular Aboriginal and Torres Strait communities, the first step is to find out its history of invasion and working out what has been taken away and what has remained, culturally, socially and economically. The rates of dispossession and the forms that dispossession took

- is different for each community. That analysis should focus on the related concepts of social order and cultural authority.
- 25. Building community capacity is a complex area as success in is difficult to analyse and measure. It relates to issues of understanding social impact and developing an outcomes framework to measure success. Rather than limiting the social impact of development to economic indicators of wealth/income, individual satisfaction or formal individual legal rights, economist-philosopher Amartya Sen's work on the *capabilities approach* looks at people's own definitions of their aspirations and freedoms with a focus on the themes of freedom, functionings, capabilities and agency.⁸ More detail on the capabilities approach and its potential for addressing Aboriginal and Torres Strait Islander disadvantage is at Appendix 2.
- 26. In order to build and measure community capacity an appropriate measurement framework is required. Drawing on the capabilities approach the Steering Committee recommends that an outcomes framework be developed to measure the social benefits of income support expenditure.
- 27. **Recommendation 6**: That the Federal Government work with Aboriginal and Torres Strait Islander peak health and welfare organisations to investigate and develop an Aboriginal and Torres Strait Islander peoples outcomes framework that would guide and drive community service provision to Aboriginal and Torres Strait Islander communities.

Appendix 1: Membership and a brief history of the Close the Gap Campaign Steering Committee

Australia's peak Aboriginal and Torres Strait Islander and non-Indigenous health bodies, health professional bodies and human rights organisations operate the Close the Gap Campaign. The Campaign's goal is to raise the health and life expectancy of Aboriginal and Torres Strait Islander people to that of the non-Indigenous population within a generation: to close the gap by 2030. It aims to do this through the implementation of a human rights-based approach set out in the Aboriginal and Torres Strait Islander Social Justice Commissioner's *Social Justice Report 2005*. 9

The Campaign Steering Committee first met in March 2006. Our patrons, Catherine Freeman OAM and Ian Thorpe OAM, Iaunched the campaign in April 2007. To date, almost 200,000 Australians have formally pledged their support. 10

Australian Government and Opposition party representatives, including the then Prime Minister and Opposition Leader, signed the Close the Gap Campaign's *Close the Gap Statement of Intent* in March 2008 at the Campaign's National Indigenous Health Equality Summit. Successive Prime Ministers, Opposition Leaders, and Greens Party leaders have indicated their continuing support. The *Close the Gap Statement of Intent* was subsequently signed by the Governments and Opposition Parties of Victoria in March 2008; Queensland in April 2008, Western Australia in April 2009; the Australian Capital Territory in April 2010, New South Wales in June 2010; and South Australia in November 2010.

As acknowledged in the NIRA, 'the [COAG] Closing the Gap Agenda was developed in response to concerns raised with governments by Indigenous and non-Indigenous persons, including through the Close the Gap Campaign and the National Indigenous Health Equality Summit'. As such, the Campaign has provided significant impetus for the Council of Australian Governments:

- Setting six 'Closing the Gap' Targets, including to achieve Aboriginal and Torres Strait Islander life expectancy equality within a generation, and to halve the Aboriginal and Torres Strait Islander under-fives mortality rate gap within a decade; and
- Agreeing, by November 2008, the 'Closing the Gap' national partnership agreements. These have brought with them approximately five billion dollars in additional resources, including the \$1.57 billion attached to the National Partnership Agreement on Closing the Gap in Indigenous Health Outcomes that expired in June 2013; and the \$564 million attached to the National Partnership Agreement on Indigenous Early Childhood Development that expires in June 2014.

The Close the Gap Campaign is a growing national movement:

- Every year since 2010 the National Rugby League has dedicated a round of matches to Close the Gap. The Close the Gap rounds are broadcast to between 2.5 and 3.5 million Australians each year.
- In 2007 the first National Close the Gap Day was held. It involved five large State events and more than 300 community events. National Close the Gap Day has become an annual event since 2009. Australians across every state and territory participate in this event. Health services, schools, businesses, hospitals, government departments, ambulance services, non-government organisations and others hold events to raise awareness and show support for the Campaign and its goals. Reflecting the importance of the Campaign to nation, it has become the largest and highest profile Aboriginal and Torres Strait Islander health event in the country. Just under 1,300 community events involving approximately 150,000 Australians were held on National Close the Gap Day in 2014.

The current members of the Close the Gap Campaign Steering Committee are:

Co-chairs

- Ms Kirstie Parker, Co-chair of the National Congress of Australia's First Peoples
- Mr Mick Gooda, Aboriginal and Torres Strait Islander Social Justice Commissioner, Australian Human Rights Commission

Members

- Aboriginal and Torres Strait Islander Healing Foundation
- Australian Indigenous Doctors' Association
- Australian Indigenous Psychologists' Association
- Congress of Aboriginal and Torres Strait Islander Nurses and Midwives
- Indigenous Allied Health Australia
- Indigenous Dentists' Association of Australia
- National Aboriginal Community Controlled Health Organisation
- National Aboriginal and Torres Strait Islander Health Workers' Association
- National Association of Aboriginal and Torres Strait Islander Physiotherapists
- National Congress of Australia's First Peoples
- National Coordinator Tackling Indigenous Smoking (Dr Tom Calma AO -Campaign founder and former Aboriginal and Torres Strait Islander Social Justice Commissioner)
- National Indigenous Drug and Alcohol Committee
- The Lowitja Institute
- Torres Strait Island Regional Authority
- Australian College of Nursing
- Aboriginal Health and Medical Research Council
- Australian Human Rights Commission (Secretariat)
- Australian Medical Association
- Australian Medicare Local Alliance
- Australian Physiotherapy Association
- ANTaR

Close the Gap Steering Committee

Submission in response to the A New System for Better Employment and Social Outcomes Interim Report – August 2014

- beyondblue
- The Fred Hollows Foundation
- Heart Foundation Australia
- Menzies School of Health Research
- Oxfam Australia
- Palliative Care Australia
- PHILE Network
- Public Health Association of Australia
- The Pharmacy Guild of Australia
- Royal Australasian College of Physicians
- Royal Australian College of General Practitioners

Appendix 2: Outline of Sen's Capabilities Framework and how it may apply to addressing Aboriginal and Torres Strait Islander Disadvantage.

Sen's capabilities framework suggests an approach which incorporates rights and the development of outcome indicators *with* Aboriginal and Torres Strait Islander peoples. This would produce outcome measures that are sensitive to context and local aspirations. The approach also highlights the problem of the comparative and demographic approaches which are based on perceived community deficits and ignore the invaded context of Aboriginal communities.

Sen describes 'functionings' as consisting of "beings and doings". 12 Living is seen as a set of interrelated functionings. Functionings are the states and activities that constitute a person's being, for example, basic states such as being healthy, having a good job, and being safe, and more complex states, such as being happy, having self-respect, and being calm. Sen contends that functionings are crucial to the capability approach; capability is conceptualized as a reflection of the freedom to achieve valuable functionings. 13 Functionings are the subjects of capabilities: what we are capable, want to be capable, or should be capable to be and/or do. Therefore, a person's chosen combination of functionings, what they are and do, is part of their overall capability set. However, functionings can be conceptualized in a way that signifies an individual's aspirations as well as capabilities. Eating, starving, and fasting would all be considered functionings, but the functioning of fasting differs significantly from that of starving because fasting, unlike starving, involves a choice and is understood as choosing to starve despite the presence of other options.¹⁴ Consequently, an understanding of what constitutes functionings is inherently tied together with an understanding of capabilities.

Capabilities are the functionings a person is feasibly able to achieve. Formulations of capability have two parts: functionings and opportunity freedom – the substantive freedom to pursue different functioning combinations. Therefore, capabilities denote a person's opportunity and ability to generate valuable outcomes, taking into account relevant personal characteristics and external factors. The important part of this definition is the "freedom to achieve". Consequently, the capability set is not merely concerned with achievements; rather, freedom of choice, in and of itself, is of direct importance to a person's quality of life. Tohoosing a lifestyle is not exactly the same as having that lifestyle no matter how chosen, and a person's well being does depend on how that lifestyle came to be. For this reason, while the combination of a person's functionings represents their actual achievements, their capability set represents their opportunity freedom – their freedom to choose between alternative functioning combinations. In other words the reality of freedom is a key aspect of understanding capability. If racism or cultural disrespect limit freedom then its impact on capacity can be considered.

Sen defines an agent as someone who acts and brings about change, whose achievement can be evaluated in terms of his or her own values and objectives. 20 Agency therefore focuses on the ability to personally choose the functionings one values. Agency achievement considers a person's success in terms of their pursuit of the totality of their considered goals and objectives. 21 Agency primarily refers to an individual's role as a member of society, with the ability to participate in economic,

Submission in response to the A New System for Better Employment and Social Outcomes Interim Report – August 2014

social, and political actions. Agency is therefore crucial to an assessment of one's capabilities, allowing for an examination of whether or not economic, social, and/or political barriers impede a person's ability to pursue substantive freedoms. Agency stresses that participation, public debate in the public sphere, democratic practice, and empowerment, should be fostered alongside well being.²² We would suggest that agency can also be considered from the perspective of marginalised communities such as Aboriginal and Torres Strait Islander communities.

The approach emphasizes functional capabilities ("substantive freedoms", such as the ability to live to old age, engage in economic transactions, or participate in political activities); these are construed in terms of the substantive freedoms people have reason to value, instead of utility (happiness, desire-fulfillment or choice) or access to resources (income, commodities, assets). Poverty is understood as capability-deprivation. It is noteworthy that the emphasis is not only on how human beings actually function but also on their having the capability, which is a practical choice, "to achieve outcomes that they value and have reason to value". Someone could be deprived of such capabilities in many ways, e.g. by ignorance, government oppression, lack of financial resources, or false consciousness.

The chart below based on Maslow's hierarchy of needs, demonstrates what people need to feel safe and fulfilled in society. When these needs are being met by society, its citizens are safe.

Self-actualization personal growth and fulfilment

Esteem needs achievement, status, responsibility, reputation

Belongingness and Love needs family, affection, relationships, work group, etc.

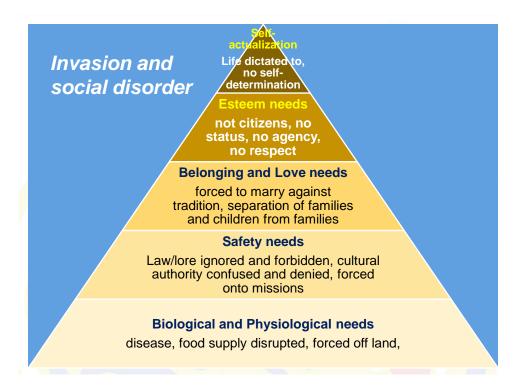
Safety needs protection, security, order, law, limits, stability, etc.

Biological and Physiological needs basic life needs - air, food, drink, shelter, warmth, sex, sleep, etc.

Social order – what is expressed above as safety needs – is critical so that all have their needs provided for and life is safe, predictable, stable and provided with behavioural boundaries. Social order is concerned with customs, interactions and stable institutions that are maintained overtime. Within it there is a sense of authority which is respected by the community – at least for most of the time and by most of the people. That authority is expressed according to the culture of the community.

Social order for Indigenous societies differs from social order for contemporary developed societies. If we re-visit Maslow's hierarchy of needs in the context of the

invaded space in which Aboriginal and Torres Strait Islander peoples live in today it looks more like this model developed by Aboriginal researcher Richard Frankland:



With these historically driven disruptions of social order and cultural authority, homelessness, powerlessness, poverty and confusion/disorientation become structurally embedded in Aboriginal and Torres Strait Islander societies.

The second step is to build on what has remained of the cultural structures. The difficulty is when these structures and forms of cultural authority are contested as a result of the structures of invasion that have been imposed on the community. From the community wealth and sources of strength the re-creation of cultural events, rituals and healing processes for men, women, youth and children can become restorative and healing measures.

Restoring agency for Aboriginal and Torres Strait Islander communities is the key to empowerment. One of the issues when it comes to government policy is that it often operates from a deficit model and can have a sub-conscious assimilationist agenda. 'Success' is measured from a mainstream perspective and focuses on Aboriginal and Torres Strait Islander people achievement according to dominant culture definitions without any reference to Aboriginal and Torres Strait Islander aspirations. That is not to say that the aspirations are always different or that for an Aboriginal and Torres Strait Islander person to seek success in the dominant culture is a form of abandonment of culture – in fact those perspectives merely feed lateral violence. The issue at stake is who defines those aspirations and whether local individual or community aspirations are taken into account. What is needed is the freedom for Aboriginal persons and peoples to practice their own agency in their own way rather than merely conform to an idealised, Western-defined notion of 'the happy successful person'. The real question is whether there are societal blocks to people's selfdetermination, agency and "pursuit of happiness" (to borrow a phrase from the American Declaration of Independence). The role of broader society in relation to

Submission in response to the A New System for Better Employment and Social Outcomes Interim Report – August 2014

marginalised Aboriginal communities is to work with Aboriginal and Torres Strait Islander communities to remove those blocks. For example rather than blaming Aboriginal parents for their kids' truancy we should be looking at what is it about the school experience which is preventing Aboriginal and Torres Strait Islander kids to pursue their aspirations. Without such a holistic approach our various service systems in education, health and welfare will never change and provide culturally safe experiences and enable the functionality needed for them to meet Aboriginal and Torres Strait Islander aspirations.

Restoring agency obviously also relates to restoring cultural authority and social order in Aboriginal communities and providing avenues for people to exercise their rights and responsibilities as well as self-defining their aspirations. In the community services sector, understanding the inter-relationship of these ideas will be key to developing an Aboriginal and Torres Strait Islander defined outcomes framework.

As Aboriginal lawyer and scholar, Megan Davis suggests in her 2012 NAARM Oration building on the work of Sen and Nussbaum:

To explain further, utilitarian economics does not take into account the cultural pressures that affect individuals' preferences and desires in life because it assumes that people are rational agents seeking to maximise utility regardless of the pressures or norms of tradition. Thus if we do not have information about how people actually choose to live their lives then we cannot improve people's lives. An example of this utilitarian ethic in the context of Australian Aboriginal affairs can be seen in the record levels of expenditure boasted by the Commonwealth Government in Indigenous affairs in 2007. While promoting the spending as a solution to Indigenous disadvantage, the Commonwealth Government failed to measure the actual outcomes of such expenditure. In 2008, the Aboriginal and Torres Strait Islander Social Justice Commissioner Tom Calma asked, 'since when did the size of input become more important than the intended outcomes?', and questioned why the record expenditure was emphasisd by the Government when there was no measurement of the effects of this funding. In fact, a proportion of the record funding included Commonwealth monies expended on legal fees for farmers and pastoralists challenging Aboriginal native title claims in the court system.

This demonstrates what Sen has described as the 'informational poverty' of the utilitarian calculus in the task of understanding how people live their daily lives. An impersonal figure or amount does not tell us how the money is spent and who is actually benefiting. As an evaluative framework, capabilities theory is based on the premise that in order to live a valuable human life a person must have the freedom to make choices about how they live their life. To enjoy that freedom, one must have the capabilities in order to do and be: to work, to be healthy, to read, to care, to love, to be well fed or to have shelter.²⁴

There are critical questions we need to ask when it comes to the measuring and determining of whether trauma-informed culturally strengthening programs are making a difference. Who is defining and doing the 'measuring'? What are we measuring? Inputs? Outputs? Outcomes? Social impact? What if – no matter how much input is made into processes and resources for cultural safety – we cannot achieve the outcomes because of racism and the on-going structure of invasion?

² S Saggers and D Gray, "Defining what we mean", in B Carson, T Dunbar, R Chenall and R Bailie (Eds) *Social Determinants of Indigenous Health* (2007), p 16.

⁴ For example K Panaretto, M Wenitong, S Button and I Ring (2014) "Aboriginal community controlled health services: leading the way in primary care" 200(11) *Medical Journal of Australia* 649.

⁶ See above note 5, p 5.

⁸ A Sen, *Development as Freedom* (1999).

⁹ T Calma, Aboriginal and Torres Strait Islander Social Justice Commissioner, Social Justice Report 2005, Human Rights and Equal Opportunity Commission (2005), chapter 2. At http://www.humanrights.gov.au/publications/social-justice-report-2005-home (viewed 4 August 2014).

¹⁰ See Oxfam Australia, Sign the Close the Gap pledge, https://www.oxfam.org.au/my/act/sign-the-close-the-gap-pledge (viewed 4 August 2014).

¹¹ National Indigenous Reform Agreement, Council of Australian Governments, p A-16. At http://www.federalfinancialrelations.gov.au/content/npa/health_indigenous/indigenous-reform/national-agreement_sept_12.pdf (viewed 4 August 2014).

¹² A Sen, *Inequality Reexamined* (1992).

13 See above note 12.

¹⁴ See above note 12.

¹⁶ See above note 12.

²³ See above note 8, p.291

¹ W Mundine, *The Baker IDI Central Australia Oration*, 4 October 2013. URL: http://www.indigenouschamber.org.au/wp-content/uploads/2013/10/Published-Baker-IDI-Oration.pdf (Accessed 14 January 2014).

The Invalid and Old Age Pensions Act 1908 (Cth), Maternity Allowance Act 1912 (Cth), Child Endowment Act 1941 (Cth), Widows Pensions Act 1942 (Cth), Unemployment and Sickness Benefits Act 1944 (Cth) all had exclusions for Aboriginal and Torres Strait Islander peoples.

⁵ Reference Group on Welfare Reform to the Minister for Social Services, A *New System for Better Employment and Social Outcomes: Interim Report Full Report* (1014), p 83.

⁷ For example A Ferdinand, Y Paradies & M Kelaher, *Mental Health Impacts of Racial Discrimination in Victorian Aboriginal Communities: The Localities Embracing and Accepting Diversity (LEAD) Experiences of Racism Survey*, The Lowitja Institute (2013). At https://www.lowitja.org.au/sites/default/files/docs/LEAD%20Report-WEB_0.pdf (viewed 4 August 2014).

¹⁵ S Alkire and S Deneulin, *The Human Development and Capability Approach An Introduction to the Human Development and Capability Approach* (2009).

¹⁷ See above note 12.

¹⁸ See above note 12.

¹⁹ See above note 8.

²⁰ See above note 8.

²¹ See above note 8.

²² S Alkire, Capability and Functionings: Definition & Justification (2005).

²⁴ Megan Evans, "2012 NAARM Oration" (2012) 16(1) Australian Indigenous Law Review 77.