

INDIGENOUS FUNDING INQUIRY SUBMISSION

ATSIC Northern Territory – North Zone

Introduction

The Aboriginal and Torres Strait Islander Commission (ATSIC) NT welcomes the opportunity to put forward this submission to the Inquiry. This submission builds on those issues raised by representatives of ATSIC North Zone of the Northern Territory at the hearings of the Commonwealth Grants Commission (CGC) during the period 26-30 June 2000 and is presented on behalf of the ATSIC NT Northern Zone.

The submission is framed on the hearings that the CGC held in Nhulunbuy and Darwin and on the understanding that ATSIC will be invited to make a further submission following the CGC's interim report.

Opening Remarks

ATSIC NT is aware of the issues of concern raised by the ATSIC National Office in relation to the Inquiry's Terms of Reference and while not debating those issues here, is supportive of the comments relating to:

- relative need versus absolute need;
- the narrow focus of the Inquiry; and
- the absence of adequate data on which to develop a formula approach.

Continuing to "shuffle" inadequate funding within program areas, or interfere in internal distribution of funds, merely serves to create conflict and division. The Inquiry should have been open to looking at absolute need and commenting accordingly.

We are also concerned that the concept of need is so diverse that an Inquiry focuses only on the functional areas of housing and infrastructure, employment and training, health and education negates the value of those programs and actions that address other priorities that are essential for the advancement of Indigenous people. These include the provision of specialised legal services, the resourcing of economic development strategies, recognition of the rights of Indigenous Australians, addressing the needs of the "Stolen Generation", reform of the justice system, culture and language maintenance and the pursuance of land rights to name just a few.

Furthermore, it is essential that the Inquiry examines the substitution effects of programs such as the Community Development Employment Projects (CDEP) scheme and the Community Housing and Infrastructure Program (CHIP). ATSIC NT is concerned that other Commonwealth, State/Territory and local government agencies are and have

abrogated their responsibilities to their Indigenous citizens by decreasing resources to those communities that are in receipt of CDEP and CHIP funding.

Commissioners may recall the message from the collective Indigenous representations to the CGC during the hearings in the NT that there is a need to avoid duplication in service delivery, for transparency in decision making and that there is an inadequacy of present funding levels against needs as determined by the Indigenous people of the NT.

Demographics

The 1996 census recorded that 28.4% of the total population of the NT was recorded as Indigenous. This equates to some 52,000 people of whom approximately 80% live in remote areas.

The Indigenous population of the NT is generally considered to be understated significantly in official ABS statistics due to difficulties in conducting censuses in remote locations, particularly where there are many isolated homelands and a very mobile population. As an example, the ABS figure for North East Arnhemland is in the order of 7,000 Aboriginal people whereas anecdotal evidence from the health service of community counts have the population in excess of 10,500. The presumed inaccuracy of the official census raises funding issues due to government funding being allocated on a population basis.

Furthermore, the ability to use available data for comparisons across regions and across State boundaries is severely limited due to both the reliability of the data and the fact that some states do not collect similar data. This is particularly relevant in health statistics as only the Northern Territory, South Australia and Western Australia have comparable long term records. The importance of reliable data for planning, priority setting and allocating funds cannot be underestimated, yet limited effort by all jurisdictions has been directed at addressing this issue.

Geographic Area

The landmass of the Northern Territory is some 1,346,200 square kilometres or one sixth of Australia. Of this, the ATSIC NT North Zone totals some 550,000 square kilometres extending from below Hooker Creek and Borroloola in the south to Bathurst and Melville Islands in the north and from the NT/WA border in the west to Nhulunbuy and Groote Eylandt in the east.

The Zone comprises many different language and clan groups with a mix of people living in remote rural and urban locations and includes Darwin/Palmerston and the following regional centres:

- Jabiru
- Nhulunbuy
- Alyangula

- Katherine
- Borroloola

Traditional Values

The zone comprises both urban and rural/remote people and communities with people living a variety of lifestyles with a common factor being the desire to maintain culture. English is a second or third language for the majority of the Aboriginal population of the Zone and in some communities and out-stations is not spoken at all. Traditional ceremonies and responsibilities are a significant factor in maintaining culture - requiring time, resources and recognition. Indigenous lifestyles in the NT range between semi-traditional and contemporary.

Diversity of Need

The Inquiry was advised at the hearings in the NT of the diversity of needs between regions and between groups.

It was emphasised that need, as defined by Indigenous people, will vary dramatically from region to region and any definitive formula for allocating resources could be met by strong objection by the Indigenous community.

Urban Regional Councils such as Yilli Rreung would argue that the needs of its region is often undermined by current funding mechanisms. There is an assumption that urban areas have less need because it is perceived that they have access to mainstream services and also due to the statistical indicators of need are more difficult to collect in urban areas. The Council would also probably note that the itinerants issue is an example of how people who are counted for funding in other regions impacts on its regions funding and services.

Health

Indigenous health indicators are at third world levels - demonstrated by the lower life expectancy, high rates of disease including renal disease, diabetes, heart and respiratory problems, STD's and other lifestyle related problems including substance misuse - when compared with the rest of Australia's population.

Health servicing by mainstream service providers has not resulted in significant improvement in health outcomes and specialist services such as Miwatj Health (NE Arnhemland) and Danila Dilba Medical Services (Darwin area) have been established to assist in addressing the health needs of Indigenous people in a culturally appropriate context.

Within mainstream health providers, there is generally a lack of cultural understanding, inadequate funding levels to provide the range of medical services required, and an

apparent reluctance provide services to remote areas. Mainstream health providers also have difficulty in being able to attract or keep medical practitioners and health staff (particularly Indigenous health workers) in remote locations.

Whilst medical services are primarily directed to dealing with the curative and preventative elements of physiological “disease” there is less attention paid to the emotional and psychological wellbeing of Indigenous people. Issues arising from dispossession, the impact of past practices on the “Stolen Generation”, settlement of people “off country”, powerlessness to control destiny, rapid social change, minimal employment opportunities; breakdown of the kinship systems and conflict arising from cultural expectations and responsibilities versus the demands of the cash economy and many other stresses are perhaps major underlying causes of poor health. Given that mainstream medicine and treatment is not producing results, it is time for a more holistic view including major emphasis on the psychological factors leading to ill health.

ATSIC participates in issues relating to Indigenous health by being a party to the *Agreement on Aboriginal and Torres Strait Islander Health*. This Agreement is between the NT Minister for Health, the Commonwealth Minister for Health and Aged Care, the Chairperson of ATSIC and the Aboriginal Medical Services Alliance of the Northern Territory (AMSANT).

The Agreement established a Northern Territory Health Forum with representation from the parties mentioned above. It aims to: ensure equity of health outcomes with the broader community; improve access to both mainstream and Indigenous specific health programs; and increase the level of resources allocated to reflect the higher level of need. All parties to the Agreement are committed to a joint planning process to inform policy decisions with respect to Aboriginal and Torres Strait Islander primary health care services. The agreement has recently been reviewed and recommendations aimed at enhancing its functions are in the process of being implemented.

Housing and Infrastructure

Housing shortages and poor quality of housing remain significant issues within the NT North Zone. The total assessed housing need is \$182.6 million with an allocation to the NT of \$84.5million. The housing needs of the Indigenous citizens in the NT represent some 34% of the total national need (source NT Government). Detailed housing statistics for the NT are available in the ATSIC publication, *Indigenous Housing 1996 Census Analysis Northern Territory*, May 2000.

The average household size in the NT is significantly higher than the rest of the country. For example: - Gapuwiyak outstations average 11 per dwelling, Minyeri and Yugal Mangi and Umbakumba average 11, Maningrida, Ngukurr, Galiwinku, Wadeye, Gapuwiyak, Marngarr average 10. Miwatj as a whole averages 8.3. The average national Indigenous figure is 3.7 (Source ABS data).

In addition, the cost of housing in the NT is substantially higher than other regions in Australia. An analysis of building costs across Australia, using an average regional cost factor for housing, has demonstrated that if Sydney has a factor of 100, Darwin is 122, Miwatj is 180, Jabiru is 185, Katherine is 165. These numbers are theory based on national construction indexes and are based on the larger towns only at this stage. Cost at community level will be higher again (work in progress ATSIC Canberra August 2000).

Whilst current programs are producing outcomes they are at such a pace that they are barely keeping up with replacement needs without addressing the overall shortage. Stress caused to housing from overcrowding and the poor quality of many community houses is adding to demand at a rate greater than supply. In many parts of the Zone, particularly on remote communities, there is no opportunity for people to purchase homes due to the special nature of community tenure.

In the NT, ATSIC provides funding for housing through the National Aboriginal Health Strategy (NAHS) program and through the Indigenous Housing Authority of the NT (IHANT). IHANT was established following the signing (June 1995) of a bilateral agreement for the *Provision and Management of Housing and Related Infrastructure for Aboriginal and Torres Strait Islander People in the Northern Territory*. The Agreement establishes the framework for a partnership between the Northern Territory Government, the Commonwealth Government and ATSIC in the delivery of housing and related infrastructure for Indigenous people in the Northern Territory. The funds are pooled and program managed by the NT Department of Local Government. A copy of the Agreement, which is currently under review, is enclosed.

IHANT's representation consists of nine ATSIC members, one Commonwealth member and up to seven NT Government representatives. IHANT's powers and functions include:

- development of strategic and operational plans;
- establishing policy and guidelines for the delivery of housing programs; and
- undertaking relevant research.

In relation to infrastructure, the Housing, Infrastructure, Health and Heritage Branch of ATSIC's National Office has met with CGC staff and has since provided a submission (Appendix A to the initial ATSIC submission). However, in the NT, it is necessary to re-iterate that the high cost of infrastructure development and maintenance is exacerbated by distance and climatic conditions. A co-operative arrangement exists within the NT between ATSIC and NTG – however this does not overcome the need for a significant increase in funding to support adequate infrastructure. More information on this issue is included below in the sections on Partnerships and the Impact of Other Government Programs.

Education

There have been several significant reviews undertaken recently examining Indigenous education issues in the NT. The reviews, particularly the *Collins Report: LEARNING*

LESSONS, An Independent Review of Indigenous Education in the Northern Territory, have highlighted a number of concerns including:

- an overall decline in school attendance;
- poor retention rates;
- children having lower literacy and numeracy skills when compared to their parents and non-Indigenous students; and

In addition to low literacy and numeracy levels, school attendance figures are poor across the Zone and the Northern Territory has the lowest educational outcomes in primary and secondary education in comparison with all the other states and the ACT.

The need for context in education and education tailored to the specialist needs of Indigenous people is an area requiring specialist investigation and some challenge methodology. Mainstream education does not appear to be providing for the specialist needs of Aboriginal people in many areas, both remote and urban. Education is based on the wider community theories of education leading to paid employment and careers. Like the health system, it is apparent that “mainstream” examples and systems are failing Indigenous people thus setting the challenge to comprehensively review underlying factors and modern needs rather than continuing to try and make a poor system fit the people or the people fit a poor system.

In June 2000 the NT Aboriginal Education Consultative Group (Indigenous Advisory Council) on Education was disbanded and there does not appear to be any attempt to re-establish any formal body or mechanism to advise the Minister and the NT Department of Education on educational matters affecting Indigenous Territorians.

In the remote areas of this Zone, most Indigenous students do not have access to secondary education within their home community. Secondary schools exist in Darwin, and Katherine, and the mining towns of Jabiru, Nhulunbuy and Alyangula. Many Indigenous students travel to Queensland, Darwin or other states to access secondary education. Indigenous leaders and parents have continuously demanded that secondary education be made available in their local community.

In June 2000 the NT Department of Education abolished the Bi-Lingual program which operated in some 12 remote schools in the NT. The Bi-Lingual program was established to assist Indigenous students that were non-English speakers to learn in their own language initially and progress to learning in English in the primary years. Many Indigenous parents and families perceived this action as an attack on their culture and language and are still pressuring the NT Department of Education to re-instate the program.

While education is not a functional program area of ATSIC, educational outcomes are a vital issue to the future of Indigenous Australians and ATSIC has a responsibility to act as an advocate on behalf of Indigenous people. The reviews have identified that a major

effort needs to be made at the local level to involve school communities in making education work for them.

The Northern Territory Minister for Education has recently announced in Parliament that his government has committed itself to implementing 150 of 151 recommendations of the Collins Report. The NT Government is currently preparing an Indigenous Literacy and Numeracy Strategy, which is expected to be signed off shortly by the Commonwealth and NT Education Ministers.

Employment

The 1996 ABS census showed the unemployment rate of Indigenous Australians at 23% compared to 9% for the non-Indigenous population. The current NT unemployment rate is 5.8 per cent with the Indigenous rate being 17.8 per cent. This increases to between 80 and 90% in regional centres and the remote communities outside of Darwin. If CDEP participants are included as unemployed, the Indigenous rate for the whole NT is closer to 53% (source ATSIIC Canberra).

Employment opportunities for Indigenous people in the NT are severely limited as a high percentage of the Indigenous population reside in areas with little or no employment and limited economic opportunity. The Job Network is not ideally situated to redress this issue as the limited job opportunities does not lend itself to the active involvement of the Network in addition to the fact that there are substantial gaps in the coverage of the Network in the NT.

While the CDEP scheme masks the real level of Indigenous unemployment, it is a substantial program injecting some \$100 million into the NT economy, providing work opportunities for over 8,000 participants. Currently there is a demand for an additional 450 participant places.

The CDEP scheme is well detailed in the 1998 "Spicer Review" which advises on the demand for the scheme, its benefits and options for maximising employment outcomes.

CDEPs in the NT have been provided to communities mainly on the basis of historic allocations and through demand for new CDEPs in locations such as Darwin, Coburg and Mutitjulu. As CDEP is a Regional Council program, the method of allocating participant places varies from region to region, as does the method of allocating on-costs. In the Darwin region, the Yilli Rreung Regional Council allocates on-costs on the basis of the national formula allocation. In other areas, allocation is by submission and relative need as assessed by the relevant Regional Council.

CDEP statistics for NT by ATSIIC Region:

Yilli Rreung	185 participants	\$2.1m
Jabiru	1,791 participants	\$22.5m.
Miwatj	1,778 participants	\$22.3m.
Garrak Jarru	1,802 participants	\$21.7m.

Yapakurlungu	781 participants	\$9.8.
Alice Springs	540 participants	\$6.7m.
Papunya	<u>1,145</u> participants	<u>\$13.9m</u>
	8,022	\$99.9m

CDEP on remote communities continues to focus on “mainstream” employment with the concept being that CDEP employment can/will lead to permanent “employment” over time. Like education and health this is a broader community paradigm being applied to a different cultural regime. The fact is that on most remote communities there are limited mainstream employment opportunities and people do not have a desire to move from their home, culture and families to distant unfriendly locations even if employment opportunities were available (which they are not).

As mentioned in the opening remarks, ATSIC NT considers that Commonwealth, State and Territory government agencies have benefited financially though the progressive withdrawal of positions and services in locations where CDEPs exists – this includes health and education staff, maintenance crews and the provision of municipal services etc. This process undermines the possible outcomes that can be achieved by effectively managed CDEPs and implies that the other levels of government are not meeting their responsibilities.

Training

The Northern Territory Employment and Training Authority (NTETA) is the funding purchaser of Vocational Education and Training (VET) for the NT. The agency receives approximately \$60-70 million from the Australian National Training Authority for training provisions.

Two years ago NTETA disbanded the Indigenous Advisory Board which advised the NTETA Board and the 12 Industry Training Advisory Boards on employment and training needs and aspirations of Indigenous Territorians.

Within the agency there is no specific training programs or funding capability identified for Indigenous people or communities to access. The training arena has evolved to become a complex and competitive marketplace for Indigenous people to participate in.

The impact of other Commonwealth, Territory and local government agencies programs on the range and level of services provided by ATSIC

The range and level of services provided by other agencies greatly affects ATSIC services. The lack of mainstream services within communities (eg. facilities for the disabled) places an additional burden on ATSIC funded services and infrastructure.

The lack of adequate funding by other agencies for the provision of services may at times compromise ATSIC services as it places an unnecessary burden on already limited resources. In remote communities, there is a reliance on ATSIC programs by other

funding agencies to compensate for their inability to provide an appropriate level of service.

There is also a distinctive divide between what the NT Government sees as their responsibility (ie. major communities) and what they see as Commonwealth responsibilities (ie. outstations).

Partnerships and reform strategies

The Northern Territory has a substantial Indigenous population, the majority of which is located in remote areas on marginal land covering about 50% of the Territory. These areas are either arid or subject to the impact of the “Wet” season. The cost of introducing services, housing and infrastructure is therefore considerable, as is the ongoing cost of maintenance and staffing. Economic and employment opportunities, while being continually explored, are at best marginal in much of the NT.

ATSIC, the NTG and other Commonwealth agencies are working together to meet the demands created by these conditions and are exploring new approaches through bilateral agreements, MOUs and other collaborative arrangements to target outcomes and minimise duplication and overlap of service delivery.

Other avenues are also being explored including the reform of local government, models of regional autonomy and regional agreement making. It is the view of many that people in communities who are affected by programs and services delivered by governments should be more directive of the nature and type of services being delivered. Regional autonomy has the potential to be a “people” driven development providing the opportunity for priorities to be determined and implemented in a more collaborative manner. In the NT Northern Zone the Miwatj Regional Council, Jawoyn Association, Tiwi Council and Wadeye people are all involved in significant developments towards regional autonomy.

ATSIC notes from the NTG Submission to the Inquiry that grants to the Northern Territory have not kept pace with the increase in Commonwealth revenue. As costs are already high and increasing, the impact of this is evident in a number of areas where Indigenous programs to remote communities have been cut back significantly in the past decade. This has led to a greater burden being put back on service users in a “user pays” environment to meet costs. Shortfalls through either inability of municipal bodies to gather income, or inability of users to pay, is met through reduced service provision.

Of particular concern is the Community Service Obligation funding to the NT Power and Water Authority. The Authority has picked up ongoing responsibility for 16 sewerage systems provided under NAHS without extra funds and this impacts on the ability of the NTG to provide essential services to homelands. Recent examples of this are the Wurankuwu and Acacia Larrakia NAHS sewerage projects.

One of ATSIC's major concerns is the lack of accountability for outcomes to Indigenous people from the funding provided through the Commonwealth to the States. While Special Purpose Grant funding requires some form of reporting it is generally not evident to the intended recipients. This is particularly the case in the NT where the disability factors of the current CGC allocation mechanisms should specifically work to the advantage of Indigenous people.

While the partnerships mentioned above have gone some way to identifying available resources, the untied funding for local government can be applied very broadly and as with other NTG departments, the Indigenous funding portion is unable to be readily identified.

ATSIC supports an approach where the needs assessment process of the CGC should be further adjusted to reflect the disability factors faced by Indigenous Territorians. Distortions caused by a small population size should not contribute to a net loss of funds.

ATSIC NT has a strong view that Commonwealth funding for Indigenous Territorians should be channelled through ATSIC so it can be properly monitored to see that the desired outcomes are achieved. The recent criticism by the Northern Territory Auditor General concerning transparency and the absence of Freedom of Information legislation reinforces this point.

The role of Regional Councils in priority setting and funds allocation

Regional Councils use a range of criteria in making funding decisions. First and foremost, they decide on a priority list of needs identified via a submission process. The Councils have a regional planning process involving all members of the Council in considering those areas of priority it wishes to address during its term in office and this also drives the allocation of the resources available. The resultant Regional Plan guides the decision process. ATSIC's Program and Policy Guidelines are applied and the directions of the Minister are addressed.

The Minister has identified a level of expenditure for CDEP and ATSIC has identified strict criteria for infrastructure and municipal funding. After addressing the directions of the Minister and ATSIC, the representative and advocacy role of elected Councillors comes into play. Councillors are aware of the needs of the community and the capacity of applicant organisations.

ATSIC is allocated funds to be spent in accordance with the ATSIC Act. However, the majority of these funds are "fenced" and Regional Councils end up with little discretionary funds to meet the priorities they may set.

A particular concern of the NT North Zone is the level of ATSIC funding to the Yilli Rreung Regional Council. This is due to the fact that the historic funding levels established by the former Department of Aboriginal Affairs were continued under the ATSIC funding framework. In recognition of this the ATSIC Board has recently increased discretionary funds allocations to ensure all Regional Councils have a

minimum of \$500,000 for discretionary activities. Regional Councils in the Northern Territory are similarly hindered in their endeavours to meet the needs of residents within their regions and it is acknowledged that under the current overall funding allocations to ATSIC, there is limited scope to redress this situation.

Poverty and Welfare Dependence

Much has been written on the impact of poverty and welfare dependence. The relative poverty level of Indigenous Australians increases with the number of children in the family unit. As approximately 45% of the Indigenous population in the NT is under 15 years (source - ABS), the impact of poverty on the health, education, incarceration rates and the welfare of Indigenous Territorians is substantial and has a consequent impact on the demand for services and the types of services to be made accessible. As mentioned previously, economic and employment opportunities are severely limited and the shifting of scarce resources from region to region without arguing for an adequate social safety net and access to a greater share of Commonwealth/Territory resources to address poverty is fraught with danger. It is crucial for Indigenous people to be involved in the decision making processes on how those resources are directed.

Recent data on poverty levels shows that the Indigenous regional “after housing poverty” in Darwin is 22%, Nhulunbuy -35%, Katherine - 33%, Jabiru - 29% with out allowing for the higher costs of living in these areas (Jones R, 1999, Indigenous Housing 1996 census analysis, ATSIC, Canberra).

The Stolen Generations

The Stolen Generations members contend that they experience additional difficulties in comparison to other Indigenous Territorians due to the fact that they are prevented from entering the NT Land Rights and Native Title processes. As those effected are not deemed to be traditional owners, they are unable to make a claim under either of the Acts either for their traditional country or where they were removed to and now reside.

The consequential dilemma for the Stolen Generations is one of frustration and depression. The assistance through programs like Link-Up is insufficient, as most of these people know their historical situation and the problems they experience are related to contemporary living. The Commonwealth has an obligation to address the peculiar needs of the Stolen Generations in the Northern Territory as, unlike in other States, it is directly and solely responsible for the development and implementation of the past policy to remove Indigenous children of mixed descent from their families.

Services to Itinerants

Regional Councils and Indigenous community organisations have been concerned for many years over issues related to Indigenous itinerants throughout the NT.

In the Darwin and Palmerston region, there are a number of people from remote communities living “an itinerant lifestyle”. There are concerns about alcohol misuse, the health and social behaviour of these people and the demand for short-term accommodation and the use of community facilities that are not funded.

The itinerants are placing additional demands on already stressed services provided for local Indigenous residents without resources being redirected into the region. This is of particular concern as the majority of itinerants originate from outside the region and is leading towards conflict between local residents and visitors.

ATSIC, the local community and the NTG are currently undertaking research into this issue.