

**Commonwealth Grants Commission**

**Indigenous Funding Inquiry**

**Final Submission**

**From: ATSIC – Queensland Office**

**Submission No.: IFI/SUB/0074**

**Date Received: 08/01/2001**

**RJ Searle  
Secretary  
Indigenous Funding Branch  
Commonwealth Grants Commission  
Cypress Court  
5 Torrens Street  
Canberra ACT 2612**

Dear Mr Searle

**INDIGENOUS FUNDING INQUIRY DRAFT REPORT**

Attached for your information and consideration is the ATSIC Queensland Policy Centre response to the above draft report.

Yours sincerely

**T Malamoo  
Manager  
ATSIC Queensland Policy Centre  
December 200**

**COMMONWEALTH GRANTS COMMISSION  
INDIGENOUS FUNDING INQUIRY  
QUEENSLAND POLICY CENTRE RESPONSE TO THE DRAFT REPORT.**

**PURPOSE**

For the Queensland Policy Centre to provide comment on key aspects of the above draft report

**BACKGROUND**

The Commonwealth Grants Commission (CGC), at the request of the Commonwealth government has been conducting the above inquiry to develop measures of relative disadvantage that could be used to target resources more effectively towards those groups within the Indigenous population that are in the greatest need.

The inquiry has generally focused on the areas of health, housing, infrastructure, education, training and employment.

The inquiry process has been comprehensive involving a workshop of researchers in Indigenous Affairs, written submissions, meetings with Commonwealth Government organisations and state government agencies and in over 150 community meetings

To date the Queensland Policy Centre (QPC) has participated by way of a written submission (May 2000), attendance at an initial hearing (June 2000), attendance at the conference on the draft report in October and a meeting with an officer of the CGC relating to housing, infrastructure and health in December 2000.

**INTRODUCTION**

In their *Main Findings* the CGC notes that “the issue of absolute needs was raised in all our consultations, no matter who they involved”. In responding to the draft report the QPC would firstly like to reiterate the statement in our original submission:

*In the absence of increased funding, any funding formula that is based on relative need will not alleviate the level of absolute need. At best it will simply lead to a redistribution of funding whereby some groups of Indigenous people may be better off, but only at the expense of other Indigenous people.*

Point 9 of the Main Findings outlines 2 principles as a starting point: that ‘equal real resources should be devoted to addressing equal need’ and that ‘more resources should be devoted to people with greater need...’.

**These principles are endorsed.**

The QPC response will concentrate on a few key themes as highlighted by the draft report and about which the Commissioners requested specific comments.

There are a number of broad themes which the draft report highlights and which the CGC appear to be actively promoting. These are:

- ◆ The need for greater recognition that funds provided by ATSIC and other Commonwealth agencies for Indigenous programs are intended to **supplement** mainstream programs -- to facilitate greater access to services and to compensate for the disadvantage and particular needs of Indigenous people.
- ◆ That mainstream services provided by the Commonwealth and the States are intended to meet the needs of all Australians.

The CGC terms these 'citizenship services' and implies that it is unreasonable to merely accept that Indigenous people access these services at a lower-level than other citizens, but rather a greater effort should be made to facilitate full citizenship rights for Indigenous people through equitable access to mainstream funding and programs. The challenge is determining how this could best be achieved – eg through shifting mainstream funding to Indigenous services or improving accessibility of mainstream services.

- ◆ That a formula based approach to resource allocation cannot be used by itself.

These views are endorsed and it is not proposed to comment further other than to say that there already exists a structure and process to identify and address the needs of Indigenous people. That structure is ATSIC. The process is regional planning which is underpinned by legislation.

The process is severely inhibited by inadequate resources for ATSIC to perform its task and a lack of authority to require other agencies, in particular state government agencies, to adhere to the regional plans and to report on their outcomes to their Indigenous constituents via ATSIC's Regional Councils.

## ISSUES

The report does not provide any substantially new information. The Commission's findings and recommendations do however revalidate the reasons for the original establishment of ATSIC:

*“in establishing ATSIC, the Commonwealth government responded to 2 clear messages from Australia's indigenous peoples: that they wanted a strong, active role in the management of their development and that there is great diversity of aspiration and situation throughout Australia (The Regional Planning Framework, Commonwealth of Australia, 1994).*

The CGC's conclusion that the Commonwealth has limited capacity to influence regional level funding allocations is borne out by the findings of the *Section 26 Review of the ATSIC Act* and issues identified in response to the ATSIC discussion paper on regional autonomy.

Whilst recognising and endorsing the need to develop a form, or forms, of needs based analysis, ATSIC believes that the basic structure for addressing Indigenous need is already in place. We would also contend that this structure is founded on the themes and principles which are articulated in the draft report. Although the complete realisation of such principles relies on the full cooperation of other agencies, especially the state government.

This leads to the first of the issues which this response will specifically address:

### **1. How the Commonwealth might have a greater influence on funding below the state level.**

In Queensland the ATSIC State Advisory Committee (SAC) is of the view that one of the most effective ways to influence funding throughout the state would be through a partnership between the SAC and the State Government. It is envisaged that such a partnership would lead the way for ATSIC to work with all funding agencies at least at the state level. It could be put into effect at the regional level via comprehensive Regional Council planning processes.

Approaches have been made about the possibility of striking an agreement along the lines of the Joint Communiqués signed in recent times between the ATSIC Board and Victorian and Western Australian state governments.

Whilst it is too soon to evaluate the effectiveness of these agreements some of the key elements are:

- ◆ Recognition of the citizenship rights of Aboriginal people's and Torres Strait Islanders
- ◆ Recognition that Indigenous people represent the most disadvantaged group in the community and the critical need to address this
- ◆ Building partnerships between governments and indigenous peoples recognising the vital role of Aboriginal and Torres Strait Islander community structures and institutions
- ◆ Recognising the need to coordinate activities of the Commonwealth, state and local government through greater clarity of roles and responsibilities.

In contrast the State Government has chosen to establish an Aboriginal and Torres Strait Islander Advisory Board (ATSIAB), which is comprised almost completely of handpicked Indigenous appointees, with the exception of the representatives from the Aboriginal Co-ordinating Council (ACC). The SAC has written to the Premier of Queensland to express their concern that ATSIAB has no mandate from the community to speak on behalf of the Indigenous people of Queensland. In part the Premier has responded that it is not usual for state governments to rely upon a Commonwealth body for advice.

The state government is also currently embarking on a ten-year partnership planning process. The message that ATSIC has been receiving from the State's Aboriginal Affairs agency – the Department of Aboriginal and Torres Strait Islander Policy and Development – is that ATSIC is viewed as a minor stakeholder in this process.

These situations clearly demonstrate the \*lack of regard that the state government holds for the elected Indigenous representatives and the lack of authority that ATSIC has to compel the state government to consider its advice.

The development of a communique encompassing a framework for co-operation is one approach and at this time probably the only real approach available. However it is an approach that relies on the goodwill of the state government, is subject to political imperatives and can alter at any time.

An alternative option is to strengthen the ATSIC Act so that there is a requirement for commonwealth agencies, state/territory and local governments to plan cooperatively with regional councils and to report directly and publicly to regional councils on outcomes. In essence the ATSIC Act should be amended to impose increased accountability measures on State/Territory and local governments.

\* It should however be noted that as a result of significant negotiations by ATSIC elected representatives in relation to the Bilateral Agreement on Housing and Infrastructure that this lack of regard is not held consistently across state agencies.

## **2. Involvement of Indigenous people in decisions.**

The ATSIC report on Greater Regional Autonomy observes that

“... from the Tiwi experience ... outcomes had improved for their community on issues such as health, training, employment and education once their own leadership, rather than the bureaucracy became accountable for service delivery.”

In Queensland the development of the bilateral agreement demonstrates clearly the importance and effectiveness of ensuring the involvement of affected Indigenous people in decisions.

For example : a key element of the negotiations for the bilateral agreement has involved a housing rationalisation and reform process through the establishment of Regional Housing Authorities.

### **Formation of regional housing authorities in Queensland**

From having 85 individual Community based housing organisations with separate entities Regional Housing Authorities (RHAs) have now been established in 4 of the 7 ATSIC Queensland regions. The remaining 3 regions are in the process of considering appropriate regional structures to meet the needs of their housing organisations and their clients.

It cannot be denied that a significant impetus for regionalisation was funds, or the lack of funds – eg. the recurrent funding needed for administration costs for many Local Indigenous housing organisations (LIHOs) could only be provided at the expense of repairs and maintenance and increasing housing stock.

**However**, the successful establishment of RHAs has been the result of a comprehensive and ongoing process of community consultations, meetings and cross-fertilization of ideas and experiences across and between ATSIC Regional Councils, ATSIC staff and representatives of the wide range of individual LIHOs.

At times the reform process has been highly political and even emotional. Many of the organisations involved are of long-standing and they fear the loss of identity and loss of control over hard-earned assets. Despite these fears and largely due to hard work and goodwill it is now evident that many of the regions now view the establishment of RHAs as a positive means of providing better asset and tenancy management of Indigenous housing stock.

The process is not yet completed. But where there have been successes these can be attributed to the willingness of Regional Council and community organisation representatives to work together and consult widely with various community stakeholders.

A Statement of Principles to outline the protocols for the planning and representation of Regional Councils and the RHAs in relation to housing and infrastructure service provision is currently being developed.

### **3. State level Indigenous controlled body**

A State level Indigenous-controlled body through which Commonwealth Indigenous specific funds could be allocated, reflects the thinking behind the proposed legislated Queensland Indigenous Housing and Infrastructure Authority.

The proposal for such a body is expressed in the Queensland Bilateral Agreement on Housing and Infrastructure. The Bilateral Agreement will initially be administered through a Joint Planning Group (JPG) which is composed of 7 elected representatives and 4 appointed representatives. This Group will be the principal Aboriginal and Torres Strait Islander Housing and Infrastructure advisory body in Queensland until a legislated Indigenous Authority is established. The parties to the agreement have committed themselves to undertake a feasibility study in relation to the establishment of an independent statutory Authority.

The roles and functions of the JPG will, in many ways, be similar to those of the proposed Indigenous Housing Authority. The exceptions to this are:

- (1) that the JPG is not based on a legislative framework. However, the parties to the agreement each have statutory responsibilities for the delivery of programs and/or funding for housing and related infrastructure; and
- (2) there will be notional pooling of funds, instead of actual pooling, until a legislated Authority is set up. That is, each party will be responsible for delivering its respective program/s.

From the ATSIC perspective, Regional Councils will develop 3-year Regional Housing and Infrastructure Plans, in conjunction with the JPG. The seven Regional Council Regional Housing and Infrastructure Plans will feed up through the ATSIC State Advisory Committee (SAC) into the JPG's Strategic Plan. Because of Regional Councils' statutory requirements under the *ATSIC Act 1989*, the needs of all of the organisations will be taken into account. The JPG's Strategic Plan will encompass all of the State's planning regimes including:

the Regional Council Regional Housing and Infrastructure Plans; Infrastructure Plans developed by the National Aboriginal Health Strategy (NAHS) and the Aboriginal and Torres Strait Islander Infrastructure Plan (ATSIIIP); the 5 Year Capital Works Plan for DOGIT Communities, and the Rental Program 5 Year Capital Works Plan developed by the Aboriginal and Torres Strait Islander Housing Department; Community Infrastructure Plans; and Community Housing and/or Infrastructure Plans developed by the ACC or DOGIT communities.

Regional Housing Authorities are the conduit bodies through which Regional Council CHIP funds will be channelled and services delivered at the regional level. A Statement of Principles will outline the protocols for the planning and representation of Regional Councils and the RHAs in relation to housing and infrastructure service provision.

It should be noted that some ATSIC elected representatives have expressed concern about the setting up of a State Authority because of the impact it may have on Regional Councils' authority and mandate.

#### **4. 'overarching principles for changes to the funding arrangements'(p54.)**

The Grants Commissioners specifically requested feedback about their suggested '**overarching principles** for changes to the funding arrangements'.

To comment on the applicability of these principles it is proposed to provide an overview of the Queensland Bilateral Agreement and Regionalisation process as it compares with the overarching principles.

- (i) Ensure that Indigenous people or their representative organisations directly influence as many aspects of needs identification, prioritisation and service delivery as possible.**

Considered essential and consistent with ATSIC's preferred approach. A formal motion was passed at a Queensland RHA Workshop in October 2000 that the CEOs of the RHAs meet with the Regional Councils and the ACC to consider strategies in relation to needs-based planning and prioritisation of funding. Because the Regional Councils and the ACC are elected community representatives, this gives validation to a community-driven process. Also, the RHAs comprise of some community-elected members. In working out the strategies, community consultation will form an integral part of the process. The CHINS 2000 survey data and the NAHS Health Impact Assessments (HIAs) will also prove useful tools in the needs-based planning process.



**(ii) Enable long-term perspective of needs to be taken thus providing a secure context for setting short-term goals**

Considered essential and consistent with ATSIC's preferred approach. Whilst each Region will develop its own Regional Housing & Infrastructure Plan, coordination will occur at the State level to gauge the need across the State. The regional needs will be closely examined to determine the high priority areas. It is important to note there are many DOGIT communities in Queensland and the condition of the housing stock that was handed over to the Community Councils from the Queensland Government is not good. Hence, the backlog of need in these areas must be addressed before forward planning can occur. It may well mean that regions not listed as high priority areas will have to wait until the high priority area needs are addressed.

This resembles the view expressed in the Commonwealth Grants Commission's Terms of Reference – paragraph 1, ie. "... determine the needs of groups of indigenous Australians relative to one another across government and government-type works and services ... through specific purpose payments". With the notional pooling of resources under the Bilateral Housing and Infrastructure Agreement, the various Government agencies can target the high priority areas to address the outstanding needs through the coordinated planning process. Commonwealth financial assistance through specific purpose payments, whether it be funded by the Commonwealth or the State government, could be used to address the outstanding high priority needs. If the agencies are to be outcomes focused, they need to pool their resources to have the greatest impact in the most needy communities. Hence, the need to move quickly to a legislated Indigenous Authority.

**(iii) Facilitate capacity and leadership building for Indigenous self-management**

Considered essential and consistent with ATSIC's preferred approach. One of the intended outcomes of the Bilateral Agreement is the enhancement of economic development through the procurement, where practicable, of contracts with Aboriginal and Torres Strait Islander community councils and organisations for the delivery of housing and related infrastructure services. Another intended outcome is additional employment and training opportunities for Aboriginal and Torres Strait Islander people. Strategies to achieve these will be outlined in the Joint Planning Group's strategic plan.

From ATSIC's perspective, capacity building is already occurring through the use of Aboriginal and Torres Strait Islander building teams, eg. in the Goolburri region, the Cherbourg Community Council building team is used not only for the construction of Indigenous housing, but also for mainstream housing. A couple of the Regional Housing Authorities are particularly interested in this area. The North Queensland Indigenous Housing Organisation (NQIHO) also sees the business of project management as important. The CEO of the organisation was concerned at how little of the funding allocation for housing and related infrastructure resulted in actual expenditure on the ground. The NQIHO was able to raise the figure from below 50% to 90% by using skilled Indigenous labour of their building gangs.

**(iv) Enable clear definition of roles of each level of government and other organisations to minimise duplication and overlap**

The Bilateral Agreement clearly defines the roles and responsibilities of each of the parties. However, it can be argued that the definition of roles alone will not automatically minimise duplication and overlap. The Joint Planning Group, through the awareness of the roles and responsibilities of each level of government and other agencies, will provide a framework for joint planning and coordination, effective program management and coordinated service delivery to Aboriginal and Torres Strait Islander people in an attempt to minimise duplication and overlap.

**(v) Allow for pooling of resources from as many sources as possible to address needs in a multi-jurisdictional and cross-functional context**

Considered essential and consistent with ATSIC's preferred approach. The Bilateral Agreement will initially provide for notional pooling of resources. However, under a legislated Indigenous State Authority, it will be actual pooling. This will allow for needs to be addressed in a multi-jurisdictional and cross-functional context. Agencies from all levels will pool resources to target the priority areas, and by tapping into programs that are linked to housing and related infrastructure and operated or delivered by ATSIC, the Commonwealth or Queensland government, the potential benefits to communities are enormous.

The Bilateral Agreement refers to environmental health management support; transport infrastructure; training and employment; the Community Development Employment Program; education; mainstream housing assistance; and communication technology. However, this is not an exhaustive list of services to which linkages can occur to maximise environmental health outcomes in the communities. By establishing and maintaining processes which link the Bilateral Agreement to the State's Whole of Government processes, a formal commitment will be sought from all agencies to become outcomes focused, i.e. to have a positive impact in the Indigenous communities.

**(vi) Ensure that all relevant institutions have an active role in the service planning and delivery processes**

Under the Bilateral Agreement, strategies will be identified in the strategic plan to maximise the quantity and quality of the housing stock and related infrastructure giving priority to:

- involvement of Aboriginal and Torres Strait Islander community councils and organisations in the provision and design of housing and related infrastructure to ensure the diversity of need is met;
- promotion of, and support for effective management of housing and related infrastructure by Aboriginal and Torres Strait Islander community councils and community housing organisations and regional housing bodies;
- service delivery strategies, which promote self-management of housing, infrastructure and land in Aboriginal and Torres Strait Islander communities and urban centres; and

- where practicable, engage Aboriginal and Torres Strait Islander community organisations to deliver services in accordance with the Joint Planning Group’s strategic policy on:
  - the construction of new housing;
  - the upgrading, renovation, repair, and maintenance of existing housing;
  - the delivery of other forms of housing assistance;
  - the provision of related infrastructure;
  - the upgrading, renovation, repair and maintenance of existing infrastructure; and
  - management and administration of housing.

**(vii) Enable community control of service provision as far as practicable.**

Considered essential and consistent with ATSIC’s preferred approach. The Bilateral Agreement provides for enhanced involvement and participation of Aboriginal and Torres Strait Islander people in all stages of decision-making including planning; establishing priorities and resource allocation on the basis of need; service delivery; and evaluation and management of housing, related infrastructure and linked programs. This will help to ensure the provision of structurally adequate, culturally appropriate, and safe, healthy and sustainable housing and related infrastructure.

The setting up of RHAs throughout Queensland will enable community control of service provision. As previously mentioned, they are the regional bodies through which funds will be channelled and services provided. Because the Regional Councils are the legislated decision-making bodies, the RHAs will work in close liaison with them. The proposed Statement of Principles and region-specific MOUs will outline the protocols for the planning and representation framework throughout Queensland.

**(viii) Enable outcome management, monitoring and accountability mechanisms.**

Considered essential and consistent with ATSIC’s preferred approach. As indicated in the Report on Greater Regional Autonomy (p 8), *“the incoming ATSIC outcome-based framework for grant administration suggests a significant move towards developing more flexible and effective accountability arrangements, particularly when considered in the context of Regional Planning”*.

The emphasis is on outcomes set at a local level rather than adherence to rigid generic program guidelines which are set at a state or national level. Because the needs are worked out at the regional level, the Regional Councils are better equipped to know whether the various spheres of government are meeting their responsibilities to Indigenous communities. The Regional Council Regional Plans should identify which agencies have responsibilities for particular issues.

**(ix) Facilitate the collection of data to support decision making, reporting, performance monitoring and program evaluation.**

Considered essential and consistent with ATSIC's preferred approach. The Bilateral Agreement advocates the promotion of strategies for local, state and national research and information collection, as identified in the role of each of the parties. These strategies will be outlined in the Joint Planning Group's strategic plan. The Joint Planning Group will provide an annual report to the parties on various matters, including a report on the operation of the Regional Housing and Infrastructure Plans. These Plans are intended to:

- identify a planning process based on need to determine the clearly defined priorities for the allocation of resources for the provision of housing and infrastructure;
- provide data in support of the clearly defined priorities;
- achieve consistency with the objective and aims of the strategic plan as determined by the Joint Planning Group;
- provide coordination and integration of housing and related infrastructure and to linked programs, where practicable;
- give priority to the development and management of related employment and training programs to sustain local Aboriginal and Torres Strait Islander maintenance and building teams and enhance housing management;
- outline strategies for the ongoing development of Regional Housing Bodies; and
- commit to collecting performance and needs information to assist the evaluation and future provision of programs.

By examining the Bilateral Agreement and regionalisation process in line with the suggested **overarching principles** for changes to the Indigenous funding arrangements, it becomes clear that legislative change is needed.

A State level Indigenous-controlled Authority should be established. Adequate resources should accompany the legislative change to have an impact, ie. mainstream funding should be channelled to the State level Indigenous-controlled Authority. In the interim, agencies need to work smarter with their resources by setting up partnerships, agreements, etc. to coordinate the various planning regimes.

To date the Bilateral Agreement and regionalisation process has been driven by the ATSIC Commissioners and Regional Councils and (more recently) the Aboriginal Coordinating Council (ACC)– all **elected** representatives -- with **constant reference** back to community representatives. Whilst the RHA process is relatively new and the expected outcomes from the bilateral agreement have yet to be proven the process has been driven by the elected arm on the basis of community input at all stages. Therefore we believe that the above assessments have the endorsement of the people who will ultimately be affected by the changes

**5. What is meant by the term 'Partnerships' and how can effective partnerships be facilitated.**

One of the Commissioners questioned whether there is an Aboriginal definition of partnership. Partnership/s means different thing to different people. But the quality

of a partnership depends on a mutual understanding of the issues and the desired outcomes and a willingness to work constructively together at the local level.

There is a need to **change** the **attitudes** of mainstream service providers if 'equality of outcomes' is to be achieved, so that the vast unmet needs are recognised. In many cases attitudes will only be changed **through education, awareness and compulsion**.

By forming partnerships at the local level, Regional Councils can influence the various spheres of government to be more accountable for service delivery to their Indigenous constituents. For example, the Central Queensland Regional Council is entering into MOUs with the Local Government Associations (LGAs) in their region. This is to encourage LGAs to set up Indigenous Advisory Groups within their particular region and with whom the LGAs will work out strategies relating to their internal operations, under a Terms of Reference.

The advisory body will have broad community representation, eg. the chairperson of the main Indigenous community organisation (probably a housing corporation), a representative from the traditional owner group, an ATSIC Regional Councillor from the particular region, an Indigenous community elder, an Indigenous youth representative, etc. They will look at issues such as employment and recruitment strategies, cross-cultural awareness issues, Native Title / cultural heritage issues, rates issues, etc.

Not only will this serve to make the LGAs more accountable to their Indigenous constituents, but will give the Indigenous community an opportunity to have input into the decisions which effect their well-being and it will provide a ready-made network into which LGAs can tap. In the Rockhampton area, the Central Queensland Regional Council already networks with DEWRSB, DETIR, DATSIPD, Native Title Representative Bodies and many other State and Commonwealth agencies.

This is the cooperative approach, which relies heavily on goodwill.

Another strategy to be considered is **visibility** through monitoring and reporting. The ATSIC ACT should be amended so that Commonwealth, State and local government agencies are required to report directly and publicly to ATSIC Regional Councils about the outcomes of their activities.

### **Attachments**

The following documents may also be of interest in terms of their relationship with the key themes of the draft report.

- Policy position of the Peninsula Regional Council on the establishment of a Cape York Regional Housing and Infrastructure Authority
- Protocol between the Queensland Government and the Queensland Indigenous Working Group.

**Conclusion:** As outlined earlier this paper has concentrated on a few key themes highlighted within the draft report and specific requests of Commissioners. It is hoped these views make a useful contribution to ATSIC's collective response

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**December 2000**