# ISSUE ANALYSIS



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### **Lessons from the Tiwi Islands:**

## The need for radical improvement in remote Aboriginal communities

#### John Cleary

he governance structures created during the last 30 years for remote Aboriginal communities are so dysfunctional that the many millions of dollars that have been channelled into various programmes for Indigenous people have failed to deliver any real outcomes for them. The benefits have mainly flowed to those who run Aboriginal organisations and to their non-Indigenous staff.

Radical change and new directions are needed if policies and delivery of services to remote communities are to be improved:

- A single, simple, uncomplicated local governance structure should be installed for remote communities.
- The Land Rights Act should be amended to provide more flexible Indigenous land ownership, allowing individual property rights and commercial use of land.
- <u>All</u> operations of Land Councils and Land Trusts should be open and accountable, including the election of Land Trust Members by a public, open electoral process conducted by the Electoral Commission.
- The house insurance requirement should be abolished and the money saved should be redirected to the maintenance and the construction of new houses.
- Education strategies need to ensure that school attendance is tied to child welfare payments through Shared Responsibility Agreements.
- The Community Development Employment Projects (CDEP), Job Network, Work for the Dole and other training programmes should be integrated with real incentives and longterm sustainable jobs for those on welfare. In some employment programmes, payments should be for actual work undertaken and completed rather than for hours worked.
- Funding should be provided for mentor/ trainers directly to employers of participants in CDEP or training programmes.

- Wage subsidies for commercial businesses should be restricted to recognition of the need for training and apprenticeships; longterm dependency on these funds for ongoing employees should be eliminated.
- The formation and development of business competition and services normally found in the wider Australian community should be encouraged.
- The taxation treatment of Indigenous associations and enterprises should be reviewed to ensure that profits generated are directed to programmes and projects that benefit the wider community.
- Resident, professional staff should be increased to resource community governance structures.
- The recruitment of additional mature Australians and young volunteers willing to take on the challenge of making a difference in Indigenous communities should be encouraged.
- Regular and independent accountability and performance reviews for all non-Indigenous staff funded by government programmes is essential.
- All positions funded either directly or indirectly by government should be advertised with appointments made according to standard human resource procedures.
- Funds for public health should be reallocated and increased.
- Responsibility for the funding and delivery of health services should be shifted to local and state governments.

**John Cleary** was Chief Executive Officer of the Tiwi Islands Local Government from 2002-2005. Previously he was a Member of the Tasmanian House of Assembly from 1979-86 and 1988-98. He was Minister for Health, Community Welfare and the Elderly, Aboriginal Affairs, Ethnic Affairs, Environment and Land Management, National Parks, Inland Fisheries, Local Government, Small Business, Transport and Energy in Tasmania.

#### **Introduction**

The governance structures that have been created during the past 30 years for remote Aboriginal communities are so dysfunctional that the many millions of dollars that have been channelled into the various programmes for Indigenous people have failed to deliver any real outcomes for them. Instead, the benefits have flowed almost exclusively to 'big men' and their non-Indigenous administrators. There is a need for radical change and new directions if the current policies and delivery of services to remote Indigenous communities are to be improved.

#### Governance

Many attempts have been made to develop models of governance to encourage Indigenous people to make their own decisions. In addition to the lack of education, the main reason for failure in this area is an over-complicated system with too many structures of governance, each with its associated bureaucracy. Many Australians believe that there are already too many levels of government with local, state and territory governments and the Commonwealth Government. Indigenous communities not only have these three levels of government, but also two or three more land councils and, until recently, Aboriginal and Torres Strait Islander Commission (ATSIC) Regional Councils and the ATSIC Commission. There is complete confusion about the roles of each of these areas of government with expensive overlap, conflict and resulting inefficiency. There is a need to simplify the structures so that local communities can understand their responsibilities with the combined resources made available at this level. In most Indigenous communities the total population is small. In the case of the Tiwi Islands with only 2,500 people, having five different governance structures cannot be economically sustainable when the main beneficiaries are non-Indigenous administrators paid large salaries and based in city offices. Many of the structures developed and proposed are by lawyers, academics or consultants who seem intent on developing theoretical models that are complex and impossible to implement and manage. The present educational level of the great majority of Tiwi Islanders prevents them reading, let alone understanding, the systems they have already in place. Indigenous people should not be set up for further failures based on establishing ever more complex governance structures with a consequent need to employ more and more highly educated non-Indigenous bureaucrats to manage them.

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#### **Land Councils**

The last 30 years of activity under the Aboriginal Land Rights Act has achieved little for most Indigenous people. Indigenous people have a right to own their land, but the great failure is in not accepting responsibilities in return for those rights ('all rights and no responsibilities'). Tiwi Islanders are sometimes used as an example of a successful Land Council; however the reality is that very few real benefits, if any, have flowed to the general community. Many hundreds of thousands of dollars have been wasted over the years on failed ventures and investments, as has been the case for many other land councils. Meanwhile the Northern Territory (NT) Government and the Commonwealth Government have been expected to fund continuously and increasingly all the essential community services relating to health, education, housing and employment within communities. The land councillors and their administrators apparently believe that any income they can generate from their leasing and business activities is personal 'pocket money'. This small group has been the beneficiary of motor vehicles, boats, fuel, hire cars, overseas trips and numerous 'sitting fees' for their attendance at meetings and social occasions over the years. There is also a serious conflict of interest between land trustees who simultaneously are salaried land managers as well as directors of companies deriving an interest from their activities related to the Land Trust and Land Council. There is no transparency at any level of decision-making, with repeated attempts for the release of minutes to other Tiwi organisations being refused and access to information clearly controlled and limited by the administrator according to his agenda. The lack of accountability for the monies managed outside of the Land Council administration, for example the lack of any requirement for the publication of the financial statements for

land trusts and some private companies created by the Land Council, is a scandal. Trust members are not kept informed of the financial status of their trust funds, with individuals beholden to non-Indigenous administrators for money allocated from these trusts.

The recent development of forestry and aquaculture leases on the Tiwi Islands is supposed to be leading to an 'independent Tiwi economy' and yet there have been constant refusals to requests for support and contribution to existing infrastructure for health, education or other social services within the existing local communities where 99.9% of the population reside. Instead, the recent decision of the Land Council to set up a new secondary school in a separate location rather than support the existing four community schools is likely to create yet another expensive building and another local community which is unlikely to be any more properly maintained or managed than the existing schools and communities.

Although the Land Rights Act requires elections for land trustees, it is silent on how the elections should be conducted. This presents opportunities for the manipulation of membership, preventing the election of those with the support of the community. The recent community concerns raised at ministerial level by both Tiwi Islands Local Government and individual Tiwi Islanders about the appointment of Tiwi land trustees is an example. A democratic and transparent electoral process needs to be established and managed by the Electoral Commission.

More than anything, there needs to be a rethink of land rights to allow individual Aborigines to lease land for the creation of their own businesses and to build their own houses. This change would allow individuals to arrange their own housing finance and remove the total dependency from Aboriginal housing programmes.

#### Housing

Many issues need to be addressed in relation to housing, but a change in land ownership rights and management would allow access to other sources of housing finance and would go a long way towards individual responsibility for care and maintenance of individual houses.

In the Northern Territory there is also a requirement under the Indigenous Housing Authority of the Northern Territory (IHANT) rules requiring communities to insure their community housing. Most government housing authorities no longer insure their houses but carry their own risk. The cost of housing insurance on the Tiwis averages approx \$900 per house and in one community is more than the housing maintenance grant of \$1,700 per annum. The only insurer of community housing is the NT Government's insurance office.

#### **Education**

Possibly the most important issue that needs to be addressed is that of education. There are at the moment several 'lost' generations who are unable to perform the most basic functions of literacy and numeracy. The early demise of older educated generations is resulting in a very limited pool from which leaders or employees can be found. There is a need to recognise that lack of school attendance and many of the issues confronting the young are a reflection of the social issues confronting the local communities. Alcohol, drugs and domestic violence along with the failure of many parents to accept any parental responsibility are major factors. Although the Shared Responsibility Agreements (SRA) are a step in the right direction, there will be difficulty in getting a commitment from many at a personal level. There have been suggestions for a number of years now that child welfare payments be tied to school attendance. This should once again be put on the table as an option to be included in SRAs. Although this measure will bring howls from the civil libertarians and other so called do-gooders in the community, it is one sure way that will get commitment at an individual level. Such 'mutual obligation' should apply to all Australians and not just the Indigenous population. One could pose the question: Is it fair that parents get government support to look after their children when in many cases they don't use it to look after their children?

The debate on the Tiwis at the moment is the development of a 'land owner's private

There needs to be a rethink of land rights to allow individual Aborigines to lease land for the creation of their own businesses and to build their own houses. school'. This proposal needs careful consideration and wider consultation than that which is presently being orchestrated by the Land Council administration. The initial consultants' report on the 'Feasibility Options for a School' is an excellent document that deals with all the issues but it appears that the direction being taken has overlooked these recommendations and there is a danger of adding to the financial burden of taxpayers and local government, which will no doubt be expected to provide roads, transport, housing and other essential services for such a new school community. Any educational solution or strategy must include all participants, must establish firm foundations and start with a primary education in English in the communities. Improving educational outcomes needs a commitment from excellent educators willing to live in the Tiwi Islands for a long period of time as well as parents and children who are committed to a clearly articulated set of values and curriculum, not more buildings.

#### **Employment and training**

Present employment and training programmes fail to achieve any real outcomes. Over the last year, four different employment programmes variously funded by the Australian Government (Work for the Dole, Community Development Employment Projects [CDEP], Job Network/Industry Training and Employment Counsel [ITEC], and Centrelink) have been operating separately and mostly in opposition in the Tiwi Islands. For about 500 employable people, this is costly and confusing as well as ineffective. The CDEP programmes in all communities struggle to survive with many Indigenous people seeing them not as real jobs and very few providing credible on-the-job training. All participants in CDEP or other employment schemes should have specific training on the job tied to a system of review and assessment over a set period of time before being eligible for unsubsidised employment. This should be a condition of the scheme and part of the funding package.

However, it needs to be recognised that most CDEP positions in remote communities are created by local councils who use these positions to undertake work in their communities that they would not otherwise be able to fund because of the difficulty in raising rates and their almost total dependency on government grants. There needs to be a careful examination of all positions to provide some real incentives to create real long-term jobs and to place some limit on the availability of positions for profitable commercial businesses such as art centres, stores and clubs. For remote communities to be allowed to register such businesses as 'not-for-profit' organisations or associations defeats the objective of achieving sustainable employment and enterprises.

Although the government was heavily lobbied for subsidies for employment with the Sylvatech/Tiwi Forestry Project, it is unclear why the only Tiwi positions in the forestry project had to be trainees funded by the government (at a cost of more than \$0.5 million for a maximum of 10 ongoing jobs) without any contribution by Sylvatech which is making money out of Tiwi assets. Similarly, territory and state government services should either be excluded or subject to some agreement for CDEP positions. At present both education and health departments use large numbers of CDEP positions to maintain their facilities, making it difficult to establish commercial cleaning or maintenance positions. Local government will need to be allocated increased funding to maintain existing levels of service if changes are made. It could be suggested that the CDEP programme is being used to subsidise territory or state programmes.

There also needs to be some penalty or real disincentive for those who are not prepared to be involved in employment programmes to remove the welfare 'Sit Down' mentality. It may well be worth moving away from payment by an hourly rate to a system of payment for the work or task performed as part of the Centrelink/Mutual Obligation system for the unemployed.

Training is another area where there needs to be a total re-think. Programmes need to be more flexible than the current accredited training programmes, which often fail to recognise the low levels of numeracy or literacy or the job outcomes. The present practice of conducting certificate courses by fly-in trainers using lectures and written assessment tasks wastes money and time, as it fails to achieve any real results. Training

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and apprenticeship programmes need to be structured at grassroots level, recognising that many participants need one-to-one mentoring from trainers who live in communities or are employed on staff to provide on-the-job training.

Too many training programmes are offered by training organisations in order to attract funding and are not targeted to the real employment opportunities available. Success is measured by the number of enrolments and/or the number of certificates awarded; this has encouraged the 'dumbing down' of course content and encourages lecturers to 'sign off' as many students as possible as having achieved the required competencies at the end of courses as short as one day. Skills and competencies can only be achieved by regular, relevant practice and experience, not on the basis of having completed a course.

#### **Business and enterprise development**

The same socialist principles have been introduced at almost every level of governance and service delivery in many communities. The Coombs socialist notion of communal land ownership¹ was never part of the Aboriginal experience and its modern interpretation means that the Indigenous workers still have little responsibility or sense of ownership for their land or enterprises. Most businesses operating in communities (for example, stores and clubs) are owned and managed by associations and are given monopoly rights, preventing any competition normally found in most Australian communities. The theory is that profits made are returned to the communities, but the reality is that the level of service is poor, prices high and beneficiaries few. Almost all of these businesses are managed by non-Indigenous interests or individuals who receive high salaries and other benefits far beyond their skills. Once again, the Tiwi experience has been that the profits generated by such businesses generally do not flow to the community as a whole but are used by the few as 'pocket money' for trips and entertainment.

The only two recent examples of benefit to the community is the \$70,000 per annum provided by the Nguiu Club Association (out of a business turning over more than \$3 million per annum) for the running of the Tiwi Islands Football League, and the funding of the new Milikapiti Store by the Milikapiti Progress Association. The Nguiu Ullintjini Association (the store in the main community of Nguiu) proudly reports it has \$1.25 million in its bank account. Perhaps some amendments to the taxation treatment of these organisations may be able to direct profits more appropriately.

The leasing of land would give security to financial institutions for the establishment of new businesses creating a better level of service and competition. This would also serve to remove the control that select members of communities have over existing businesses and provide a vehicle for some entrepreneurial Indigenous developments.

#### Resources and funding

The level of funding presently provided by the government would be more than adequate were it correctly targeted and were present governance structures simplified to remove duplication and waste in the system. If a study were conducted on the total funding provided to the 120,000 Indigenous people living in isolated communities, it would clearly demonstrate that funding was not reaching its target.

The personal disposable income in communities is high. Although most are dependant on welfare payments, the high number of individuals per household delivers a higher level of disposable income per household that many other Australians experience. Unfortunately the majority of this money is often spent on gambling, alcohol and drugs (again, the 'pocket money' mentality). It should also be noted that health and other costs per household are considerably less than those experienced by other welfare recipients with completely free health and education services and heavily subsidised housing rentals, transport, sport and recreation facilities. Indigenous people, like all Australians, should be given greater financial responsibility for the essentials of living, rather than any increases in the current dependency on handouts for clothing, meals, travel and the like.

The area of greatest need is to provide community residents with the support of skilled people who have a commitment to drive the changes required. All communities are struggling with the lack of skilled administrative and finance staff to deal with the ever

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increasing accountabilities of the five layers of government and other bodies providing funding to Indigenous communities. It needs to be recognised that the role of governance and administration in communities is complex and greatly different to what is found in other areas of Australia. In most cases, communities are forced to employ staff who are not properly qualified or experienced because of the lack of applicants for such positions. In some organisations, 'mates' may be appointed to positions on extraordinary packages without advertising and many stay in such positions well past their 'use by date' because there is no one able to check their contracts or conditions of employment.

Many reasons are given for the difficulty of attracting suitably qualified staff, but the reality is that the remoteness, lack of access to education and other facilities available in mainstream towns means that working in remote and isolated communities is not an option that can be considered by many people. With the increasing number of mature people who have left the workforce and some who are looking for challenges or a way to contribute a lifetime of skills, more effort should be put into this avenue of attracting skilled experienced staff for short- to medium-term placements, either as paid employees or volunteers through organisations like Indigenous Community Volunteers. Harnessing volunteers from high schools and university to provide short-term, rapid one-on-one literacy and numeracy support for Indigenous people is also a commendable recommendation.<sup>2</sup> Such a system could become an ongoing connection for many young Indigenous Australians.

#### Health issues

Health standards in Indigenous communities are shocking. There are a number of lessons to be learnt from what has happened on the Tiwis. On the surface it would appear that the communities are well-served with two resident medical practitioners and for most of the year a medical registrar. Yet the standard of health in the communities is similar to other communities with lesser services. It is well known in Western medicine that the greatest advances in health standards come with improved hygiene and public health. There will not be any significant improvement in the standard of health in Indigenous communities until public health issues such as improved standards of living (housing), hygiene and nutritional issues are addressed. One only has to look at the range of food available in community stores and takeaways to see where many of the dietary problems come from. On the Tiwi Islands approximately 50% of all women over the age of 35 have Type 2 Diabetes, yet there are few, if any, suitable nutritional products available in the community stores.

The structure and management of health services in Indigenous communities seem to have many of the same weaknesses as noted in local government. The present desire to hand back the running of health services to communities will not work and is contrary to the way health services are delivered in the rest of the country. State and territory governments are responsible for the operation and delivery of health services and this should be the same in communities. Local communities should be engaged and involved in service delivery, the same way that advisory bodies are used elsewhere. It is interesting that since the NT Government took over the running of Tiwi health, the service has new cars, and staff accommodation is now being planned. Previously these and other issues were not possible because of a limited budget.

#### Normalisation

There is little doubt that the social experiment with Land Councils and ATSIC has been a massive failure. The Australian Government's decision to return the administration of programmes to mainstream departments is the correct one. There is a need to treat Indigenous people as normal Australians. They are no different to many of us with the same aspirations for themselves and their children. There is a need to deliver or to have available to communities the range and level of services that could be expected in any equivalent-size community elsewhere of Australia. There is a lot of commentary about the need to protect culture by well-meaning people and others who are actually more interested in protecting their positions and preventing any change. The reality is that

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Indigenous culture is where communities are now; there is no desire to return to the past or to become 'museum exhibits' for tourists, filmmakers and others.<sup>3</sup> Indigenous communities are in transition at the moment and in the middle of great changes, with many confused young people looking for leadership and many traditional leaders lost in the mire of alcohol, drugs and self-interest.

Many remote Indigenous communities are adapting very quickly to change over a period of less than 100 years, when Western societies have been making changes over many hundreds of years. People living in communities are now exposed to all the modern levels of communications, radio and television and their expectations are for the same services as the rest of Australia.

Consideration should be given to establishing the same systems of local, state or territory government and Australian Government for Indigenous communities as all other Australian communities experience. There are ample opportunities for representation by Indigenous people elected to local government bodies on their own lands and via state/territory governments without setting up another representative governing structure. The current Tiwi Islands Local Government constitution has many flaws, but one valuable and significant feature is the unity of land trustees and democratically elected community representatives as one local government body for the Tiwi Islands.

#### **Endnotes**

- <sup>1</sup> H.C.Coombs, M.M. Brandl and W.E. Snowdon, *A Certain Heritage: Programs for and by Aboriginal families in Australia* (Canberra: Centre for Resource and Environmental Studies, Australian National University, 1983).
- H. Hughes and J. Warin, A New Deal for Aborigines and Torres Strait Islanders in Remote Communities (Sydney: The Centre for Independent Studies, 2005).
- <sup>3</sup> As above.

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