

The policy goal of normalisation, the National Indigenous Reform Agreement and Indigenous National Partnership Agreements

Patrick Sullivan

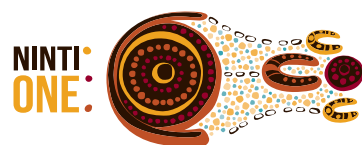
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Patrick Sullivan



Contributing author information

Patrick Sullivan: Research Fellow Australian Institute of Aboriginal and Torres Strait Islander Studies; Adjunct Professor National Centre for Indigenous Studies

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For additional information please contact

Ninti One Limited

Publications Officer

PO Box 3971

Alice Springs NT 0871

Australia

Telephone +61 8 8959 6000

Fax +61 8 8959 6048

www.nintione.com.au

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List of shortened forms

ATSIC	Aboriginal and Torres Strait Islander Council
CDEP	Community Development Employment Program
CGC	Commonwealth Grants Commission
COAG	Council of Australian Governments
HFE	horizontal fiscal equalisation
NAC	National Aboriginal Conference
NGO	non-government organisations
NIRA	National Indigenous Reform Agreement
NP	National Partnership Agreement
NSW	New South Wales
NT	Northern Territory
PI	Performance Indicators
Qld	Queensland
RPA	Regional Partnership Agreement
SA	South Australia
WA	Western Australia

Introduction

This paper, the third and final in a series of papers for the Desert Knowledge CRC, examines the landmark document of the present policy period in Indigenous affairs, the National Indigenous Reform Agreement (NIRA). The first paper in the series examined a previous policy instrument, Regional Partnership Agreements (RPA), in particular the Ngaanyatjarra RPA, concluding that services to desert settlements are still bogged down with long chains of bureaucratic administration. The second paper described the importance of the Indigenous service sector and argued for greater recognition and support for it to provide appropriate services. This paper examines the current policy environment with those findings in mind. Though periods of public policy are not easily pinned down, since policy itself is necessarily somewhat ambiguous (Mosse 2004, pp. 650–651), and scrutinising policy documents is like seeing through a glass darkly, it is clear that before the turn of the century we entered a new policy era in Indigenous affairs. This era has turned its back on the vision of a semi-autonomous, de-colonised and modernised discrete realm for Aboriginal and Torres Strait Islander people, where they would largely manage themselves in culturally appropriate ways. The new era is characterised by the intention to re-engage the state with its Indigenous peoples, and normalise their relations within their communities and with the wider population. Normalisation is the term used in this paper, deliberately, though the policy is not officially called normalisation. The present government prefers ‘closing the gap’, but this paper retains the term because it encapsulates the development dilemma for Aboriginal people. Normalisation is a positive goal if this means that Aboriginal people can expect a standard of living at the national norm. It is a challenge if it means that Aboriginal people are required to reflect socially, culturally and individually an idealised profile of the normal citizen established by the remote processes of bureaucratic public policy making.¹

The underlying frustration and despair at the conclusion of the self-determination period, giving way to this normalisation environment, is well expressed by two important books that appeared about the time the policy came to dominance (Dillon & Westbury 2007, Sutton 2009).² Dillon and Westbury’s *Beyond Humbug* advanced the proposal that Aboriginal communities showed all the characteristics of ‘failed states’ largely because they had been abandoned by government and the infrastructure that had been committed throughout the 1980s allowed to decay under the impact of a demographic explosion (Dillon & Westbury 2007). Peter Sutton’s *Politics of Suffering* shares their sense of crisis, but tends to lay the blame more widely – on maladapted Aboriginal culture, naively inadequate and ideologically ill-prepared non-Aboriginal assistance, and the removal of the heavy hand of colonial administration. Both books, Sutton’s with a particular emotional intensity, demand an end to political programs rather than practical and instrumental development, the recognition of unacceptable levels of suffering in Aboriginal and Torres Strait Islander communities, and government intervention at a standard expected by all other Australians. In this respect they advocate the policy turn called normalisation.

Normalisation policy consists of a headline statement and several corollaries. In 1992 it was expressed in the Council of Australian Governments’ (COAG) aspiration to ‘ensure that Aboriginal peoples and

¹ The term ‘normalisation’ was used as long ago as 1997 by Crough, citing West Australian and Northern Territory government policy documents (Crough 1997, p. 4). It was used more recently by the Australian delegation to the United Nations Permanent Forum on Indigenous Peoples which levelled a prolonged attack on normalisation as assimilationist, undermining Indigenous culture, and breaching articles Eight and Ten of the Declaration on the Rights of Indigenous Peoples (Field 2007).

² Sutton’s book draws heavily on his Berndt Foundation lecture in 2000, published in *Anthropological Forum* in 2001 (Sutton 2009, p. xii).

Torres Strait Islanders receive no less a provision of services than other Australian citizens' (COAG 1992). By July 2009 this aspiration had been further elaborated in a Schedule to COAG's National Indigenous Reform Agreement as: 'remote Indigenous communities and remote communities with significant Indigenous populations are entitled to standards of services and infrastructure broadly comparable with that in non-Indigenous communities of similar size, location and need elsewhere in Australia' (COAG 2008a, p. E-79, ss. E1.a). One of the most important consequences of this headline statement is that state and territory governments will take more responsibility for Aboriginal development, and apply more resources to it; mainstream mechanisms for the delivery of citizenship services will largely be accessed through state agencies; and Aboriginal community-controlled service organisations will either wither away or be required to compete in the marketplace for outsourced government contracts simply as service providers. Consequently the identity of Aboriginal people as subjects of governmentality has been fundamentally re-imagined. Aboriginal people themselves are required to normalise in terms of their education, employment, health and habitation. The changes now being implemented by the National Partnership Agreements (NP), which fulfil the aims of the National Indigenous Reform Agreement, have finally begun to implement the policy intention of 1991, and this overturns the consensus on Aboriginal control of remote service delivery which has endured since the early 1970s.

Normalisation is about the re-engagement of the state with Indigenous citizens and focuses equally on a re-commitment from state and territory governments to the needs of their Aboriginal or Torres Strait Islander citizens after four decades during which they touched the ground lightly, as well as the need for Aboriginal people to meet benchmark standards in health, education and employment. The policy is driven by the Council of Australian Governments (COAG). Indeed, normalisation of Indigenous affairs follows exactly the timeline of the creation of COAG itself. The turning point from the self-determination era towards normalisation is marked by the 1992 *National Commitment to Improved Outcomes in the Delivery of Programs and Services to Aboriginal People and Torres Strait Islanders*. While this document explicitly reaffirmed the responsibility of the Commonwealth following the 1967 referendum (COAG 1992, Ss 5, 6.8, 6.9) it marked the replacement of the Aboriginal Affairs Act (Arrangements with the States) 1973 with bilateral agreements which also attempted to broker state agreement to shoulder more of the task. The relative responsibilities of the parties in these bilateral agreements were never made public. While broad statements of intent are available,³ precise target outcomes and funding commitments remain obscure. Consequently, they were dogged with the suspicion that the states and territories would siphon off Commonwealth assistance into mainstream programs, would not distribute fiscal equalisation payments from the Commonwealth Grants Commission in way that addressed Aboriginal disadvantage, did not equitably spend their own resources in remote areas, and failed to develop robust state or territory administrations for Aboriginal and Torres Strait Islander development. Twelve years later, with the abolition of ATSIC, the anomaly of Commonwealth involvement in areas that are otherwise constitutionally in the ambit of the states was unavoidable when its programs were amalgamated into the mainstream Commonwealth bureaucracy.

³ <http://www.fahcsia.gov.au/sa/indigenous/pubs/general/bilateralagreements/Pages/default.aspx>.

The Financial Framework

Before turning to the National Indigenous Reform Agreement and its subsidiary National Partnership Agreements in detail, it is useful to situate these within a brief overview of their financial foundations, particularly the financial arrangements between the Commonwealth and the states. There are four basic governmental sources of funding for Aboriginal and Torres Strait Islander development. There is Commonwealth own-revenue expenditure (usually in Indigenous-specific programs) and state/territory own-revenue expenditure (usually buried in mainstream programs). Thirdly, there are specific purpose grants to the states and territories from the Commonwealth. These may be targeted specifically at Indigenous people or may have Indigenous development objectives embedded in wider objectives and they may be bundled into one of the five specific purpose payments allocated under the *Federal Financial Relations Act* 2009 or into National Partnership payments. Fourthly, there are funds collected by the Commonwealth, such as the GST, and distributed to the states through the Commonwealth Grants Commission using a formula that ensures all states can provide the same level of service to citizens regardless of local circumstances (horizontal fiscal equalisation).⁴ As Dillon and Westbury point out, one major problem with CGC allocations is that they do not take into account the lack of infrastructure in remote areas to be able achieve equalisation of services. Put another way, the CGC provides recurrent funding without addressing the need for infrastructure investment so that the recurrent funding can achieve its objective (Dillon & Westbury 2007, pp. 185–189). While the formula for determining the amount of money the Commonwealth transfers to the states takes into account indicators of social disadvantage, which large Aboriginal populations affect considerably, the states are under no obligation to spend their allocation to redress this disadvantage (indeed they are under a perverse incentive to maintain it, since it subsidises metropolitan development). The states argue that this is their right, since Commonwealth transfers are simply a recognition of the voluntary surrender of states' revenue-raising powers which, if they were to reassert their sovereign rights, they could spend freely without Commonwealth direction. The Yu report summarises the constitutional basis of fiscal equalisation eloquently: 'The intention is that, if there are differences in fiscal **outcomes** (service levels per person, or tax burdens per person), they reflect outcomes of the democratic processes in states and territories not the consequences of differences in their capacity to afford to deliver services' (Yu et al. 2008, p. 51 emphasis in the original). It can be assumed, then, that the citizens of the states and territories, through their governments, have decided not to adequately support development in remote areas, leaving a disproportionate responsibility for Aboriginal and Torres Strait Islander people with the Commonwealth (see also Dillon & Westbury 2007, pp. 185–189).

Consequently, at least since the 1970s, the Commonwealth has funded Aboriginal and Torres Strait Islander needs through a combination of direct services and grants through one of its agencies,⁵ or specific purpose payments to the states and territories. One of the first things the incoming Labor government did was introduce the Intergovernmental Agreement on Federal Financial Relations (2008). This reduced over 90 Specific Purpose Payments to the states to just five areas, with all other

⁴ The Yu report provides a lucid outline of the national Aboriginal and Torres Strait Islander funding environment (2008, pp. 50–51). In 2001 the Commonwealth Grants Commission, which distributes this untied funding to the state governments, reported on an Inquiry into Indigenous affairs funding relative to need. While it produced useful information about Aboriginal and Torres Strait Islander needs, it recommended against a re-distributive funding formula as this would take resources away from established areas (CGC 2001, p. xvii).

⁵ Some 35 Indigenous programs are listed here: https://www.indigenous.gov.au/prog_serv.htm

Commonwealth transfers to the states to be arranged through National Agreements and National Partnership Agreements. The abandoned Specific Purpose Payments have been re-negotiated, or re-described, as payments under one of six National Agreements and their supporting National Partnership Agreements. In many cases these agreements require co-payments from the states. To some extent this has improved transparency, as these are public agreements usually with identifiable commitments of money from both the Commonwealth and the states/territories, and often with plainly described and measurable targets to be achieved with the funding.⁶

The Financial Relations agreement and the National Agreements have been brokered through the Council of Australian Governments, which has also been slowly but persistently establishing a nationally coordinated approach to Indigenous disadvantage. In 1990 the Premier's Conference (which pre-dated the establishment of COAG) proposed a new approach to Indigenous affairs and established a task force which reported in 1991 (Australian Aboriginal Affairs Council 1991). This in turn led to the *National Commitment to Improved Outcomes in the Delivery of Programs and Services for Aboriginal and Torres Strait Islanders*, agreed by COAG in the year of its foundation, 1992. The report of the task force prefigures in many ways the National Indigenous Reform Agreement, with its commitment to improved cross-jurisdictional coordination, a greater role for the states in service delivery, better data collection and continued Commonwealth funding support. Viewed positively, this represents remarkable consistency of purpose over two decades. Less positively, it signals the failure of these intentions since, as the need for the NIRA shows, they have not been implemented and significant improvements in the circumstances of Aboriginal and Torres Strait Islander peoples have not eventuated. The re-engagement of the states in the development of their Aboriginal and Torres Strait Islander populations remains an aspiration far from realisation, still less the possibility of evaluation of results. At the conclusion of this paper it is suggested that two decades is long enough to decide that this policy is impossible to implement, and in any case, misguided, and that the Commonwealth should assume direct responsibility for Aboriginal and Torres Strait Islander development through properly constituted local authorities.

The National Indigenous Reform Agreement

The NIRA is best seen as a framework agreement, establishing priorities for collaboration between the states and the Commonwealth in reducing Indigenous disadvantage. Its aims are implemented by National Partnership Agreements, and it lists six that are specifically applied to Indigenous people (COAG 2008a, p. 16). The NIRA acknowledges that its aims may be partly met by other National Agreements and other NPs that are not specifically for Indigenous benefit. It is not limited to Indigenous disadvantage in remote areas. Indeed, one of its Schedules deals at length with a national service delivery strategy for urban and regional areas (Schedule B). However, three of the six NPs referred to in the NIRA which were agreed at COAG in November 2008 apply only to remote areas, and the other three have significant implications for remote area service delivery. The NIRA itself is an unbalanced document. The core agreement is relatively brief, and is not in the form of a signed contract, as the NPs are. The Schedules (A to G) are more extensive than the document itself. One of

⁶ Transparency becomes more opaque as the NPs develop individual Implementation Plans with the states. The Coordinator General for the Remote Services NP has made these available, but this is not true for the other NPs, and transparency is reduced where the Remote Services plans refer to these other Implementation Plans <http://www.cgris.gov.au/site/rsd.asp>. It remains true, also, that intergovernmental agreements brokered through COAG are not subject to parliamentary review in either Commonwealth or state jurisdictions and tend, therefore, to undermine democratic accountability (see Botterill 2005).

these (Schedule C) is the ‘Building Blocks’ tabular representation of commitments. Two of the Schedules (Schedules D and E) are principles for service delivery and investment in remote areas that are prescriptive about how services should be delivered under the agreement. One schedule (Schedule A) is the National Integrated Strategy for Closing the Gap in Indigenous Disadvantage, which itself has three attachments, which are case examples of ‘best practice’ from several jurisdictions. It is difficult to escape the impression that the document as a whole has been put together from work-in-progress at the time of transition from one government to another in 2007–08. Nevertheless, the NIRA itself and its two sets of principles at Schedules D and E are intended to bind governments to targets and to processes for delivering these. These core elements of the NIRA are ambiguous, at best, about the continuing role of Indigenous representative and service organisations, and continue the project of the 1990 Premier’s Conference to realign Commonwealth/state responsibilities, which becomes clearer in the relevant NPs.

The NIRA, at 18 pages, is quite short in relation to its supporting documents. It ‘implements intergovernmental reforms to close the gap in Indigenous disadvantage’ (front page). COAG has identified gaps in seven specific areas, which are closely aligned with the Productivity Commission’s ongoing fact-finding in its annual reports on Overcoming Indigenous Disadvantage (Productivity Commission 2009, p. 2–3). COAG’s aims are quite clear in this agreement and consistent with its work since it commissioned the first Productivity Commission investigation in 2002: improve data collection, identify the significant gaps, allocate responsibilities, commit resources. This is certainly an improvement on the rather conflicted aspirational stance of COAG in its 1992 National Commitment to Improved Outcomes, and its brief and vague National Framework of Principles for Delivering Services to Indigenous Australians of 2004. However, it still shows considerable ambivalence about Indigenous involvement through its principles for service delivery and investment. As the macro-policy of the NIRA and its principles reach implementation through the NPs COAG develops its own gap between the credibility of targets and the means for implementation of programs.

There are seven broad areas for improvement identified in the NIRA and reaffirmed in the Building Blocks of the National Integrated Strategy at attachment A:

- Early Childhood
- Schooling
- Health
- Economic Participation
- Healthy Homes
- Safe Communities
- Governance and Leadership

Closing the gap in these seven areas is to be achieved by measuring progress against very specific numerical data, the Performance Indicators (PIs), ranged in six sets (COAG 2008a, pp. 9–15). In addition there are Performance Benchmarks required to indicate progress against the PIs (COAG 2008a:15-16). These are straight-line trajectories plotted from the baseline data to the target outcome, indicating that they are not based upon detailed implementation planning, which would show dips and swells in the course of overall progress (COAG 2008a, p. 15 and Schedule G). The six sets within which specific data PIs will be recorded are:

- Close the life expectancy gap within a generation
- Halve the gap in mortality rates for Indigenous children under five within a decade

- Halve the gap for Indigenous students in reading, writing and numeracy within a decade
- Ensure all Indigenous four-year-olds in remote communities have access to early childhood education within five years
- Halve the gap for Indigenous students in Year 12 attainment or equivalent attainment rates by 2020
- Halve the gap in employment outcomes between Indigenous and non-Indigenous Australians within a decade.

These are highly specific and transparent targets. They are, of course, only proxy indicators for Indigenous development. It is assumed that improvements in life expectancy will reflect general improvements in life, and that access to early childhood education will provide good and appropriate education with effects down the generations. These assumptions can be challenged. The targets themselves ignore processual and qualitative factors, and perpetuate the discourse of Indigenous deficit. They are, nevertheless, transparent, measurable and technically achievable.

The indicators of progress on each target are also quite clear. However, no explanation is offered in the NIRA about how the PIs will, in practice, cross-reference to the seven Building Blocks for improving the gaps in disadvantage. An intuitive leap can be made in understanding how they will close some of the gaps in the first four of these seven areas of disadvantage (above), and to some extent in the fifth. It is not apparent how they will address the sixth and seventh – safe communities and improved governance and leadership. The neglect of these last two areas, which are interrelated, is indicative of a lack of policy consensus, and probably a changing policy consensus, about how Indigenous people, their settlements, communities and service organisations are to be imagined within the overarching polity of Australian governance. It is relatively simpler to measure physical disadvantage, and conceptually simpler to devise material measures to improve it, than to do either of these in the realm of social disadvantage. It is also more difficult to describe, in sociological terms, and politically more difficult to accommodate, the engagement of Indigenous people in reducing their own disadvantage. The forthright declaration of targets in reducing material disadvantage in the NIRA contrasts with its silence in dealing with the social ‘gaps’ which only Indigenous people themselves can fill. The only reference in the NIRA to the last two areas of disadvantage is by reference to the Building Blocks approach of the National Integrated Strategy for Closing the Gap in Indigenous Disadvantage (Schedule A to the NIRA, COAG 2008a, p. A-21), without indicating how these might be implemented. The National Integrated Strategy says ‘improving outcomes for Indigenous people requires adoption of a multi-faceted approach that sees effort directed across a range of Building Blocks. An improvement in the area of one building block is heavily reliant on improvements made across the other Building Blocks’ (ibid). The building blocks are the seven areas of disadvantage listed in the NIRA. The last two of these are described in this way:

Safe Communities

Indigenous people (men, women and children) need to be safe from violence, abuse and neglect. Fulfilling this need involves improving family and community safety through law and justice responses (including accessible and effective policing and an accessible justice system), victim support (including safe houses and counselling), child protection and also preventative approaches. Addressing related factors such as alcohol and substance abuse will be critical to improving community safety, along with health benefits to be obtained.

Governance and Leadership

Strong leadership is needed to champion and demonstrate ownership of reform. Effective governance arrangements in communities and organisations as well as strong engagement by governments at all levels are essential to long term sustainable outcomes. Indigenous people need to be engaged in the development of reforms that will impact on them. Improved access to capacity building in governance and leadership is needed in order for Indigenous people to play a greater role in exercising their rights and responsibilities as citizens (COAG 2008a, pp. 6–7).

These ‘building blocks’ have not definitively resolved the tension between the emerging policy of normalisation of Indigenous people as citizens who require services, and previous collectivist assumptions which viewed them as a distinct polity with a distinct self-controlled service sector. The tension is clear in presenting Indigenous people as individual men, women and children with rights and responsibilities as citizens, who live in families and communities that need improved safety, and greater capacity in governance and leadership.

This tension underlies the lack of commitment to self-governance and the delivery of services by the Indigenous sector, and becomes more evident as COAG’s broad aims through the NIRA are spelled out in the principles for commitment of government funds, and, as we shall see later in this paper, the terms of the NPs. The principles for government engagement are enshrined in two important schedules to the NIRA: the Service Delivery Principles for Programs and Services for Indigenous Australians (Schedule D) and the National Investment Principles in Remote Locations (Schedule E).

Service Delivery Principles and Indigenous Engagement

There are six Service Delivery Principles in the NIRA, each of them with several sets of numbered sub-principles. The Principles are to guide the development of both Indigenous-specific and mainstream government programs and services, and apply to National Agreements and National Partnership Agreements. The principles are elucidated under the following headings:

- Priority Principle
- Indigenous Engagement Principle
- Sustainability Principle
- Access Principle
- Integration Principle
- Accountability Principle.

The Priority Principle is that programs and services should contribute to the six specific targets laid out in the NIRA. The involvement of Indigenous people in designing and managing their own development programs is spread across the other five principles. Not surprisingly, it receives most attention under the Indigenous Engagement Principle. This is that ‘engagement with Indigenous men, women and children and communities should be central to the design and delivery of programs and services’ (COAG 2008a, p. D-75). A community may simply be a settlement or township, a group of people who share co-residence, or it may be a social group whose members share common aims and underlying relationships regardless of residence (see Sullivan 1996, pp. 11–26, Peters-Little 2000). Here it seems clear it refers to a group of co-residents. The Engagement Principle recognises that ‘strong relationships/partnerships between government, community and service providers increase the

capacity to achieve identified outcomes’ and encourages this. There is no acknowledgement, however, that the community is usually represented by a governing council which is also an incorporated service organisation. There is no acknowledgement that existing service providers are usually Indigenous organisations and certainly no endorsement that they should be Indigenous organisations. Indigenous people are to be ‘engaged and empowered’ under this principle ‘as appropriate’. Their local circumstances, culture, language and identity are to be acknowledged, and it must be ensured that their representation is appropriate (COAG 2008a, p. D-76). This allows for a good deal of leeway in the Engagement Principle, which may be necessary for a national document, but it falls a long way short of recognising the existing representative and service-delivery structures. Governments are only committed to ‘being transparent regarding the role and level of Indigenous engagement along a continuum from information sharing to decision-making’ (COAG 2008a, p. D-76, ss. D9.e).

It is clear from this Engagement Principle that the relationship between wider government agencies and Indigenous people has been re-imagined. It is no longer a relationship between corporate or political entities, but between citizens who happen to be co-resident and the state. Efficiency is improved by strong relationships/partnerships, and it may be appropriate for them to be involved in the design and delivery of programs, or they may simply be informed about a particular program, in which case they should not be given the impression that they are actually involved in decision-making. This is a long-standing complaint of Indigenous people subjected to ‘consultation’ and, if implemented, would at least do away with some of the administrative subterfuge of current practice.

Other principles also deal with aspects of Indigenous people’s involvement in their own development and should be read together with the Engagement Principle. The Sustainability Principle requires attention to be given to the orientation of service systems ‘including strategies that increase independence, empowerment and self management’ (D10(a)(iii)). It also requires building capacity ‘including independence and empowerment of Indigenous people, communities and organisations’ (D10 (c) (i)) but this is limited by a sub-clause in the same section ‘recognising when Indigenous delivery is an important contributor to outcomes (direct and indirect), and in those instances fostering opportunities for Indigenous service delivery’ (D10 (c) (v)). Clearly, the framers of this document believe that there are circumstances where Indigenous control of service delivery may not be an important part of achieving the outcomes, and so does not need to be fostered. Somewhat oddly, it is under the Accountability Principle that Indigenous service organisations receive their firmest endorsement. Attention must be given to ‘supporting the capacity of the Indigenous service sector and communities to play a role in delivering services and influencing service delivery systems/organisations to ensure their responsiveness, access and appropriateness to Indigenous people’ (D13 (g)). This clause is best read in two parts: the Indigenous service sector is to be supported; and it is to be ‘influenced’ into improving its responsiveness. Many workers in the Indigenous service sector would find this encouraging and would be receptive to improving their responsiveness to members and clients.

With this summary and analysis it is not intended that the document should be interrogated as if it were simply, as it presents itself to be, a set of rules to be followed. It is unlikely that politicians and public servants will be scrutinising it in detail to ensure that their actions are compliant, and in any case the imposition of sanctions if it is breached are unlikely. Nevertheless, it is not an impotent document, though it will be interpreted selectively and its provisions applied unevenly. It lends itself to this since, like any product of policy, it is rather ambiguous and tends to self-contradiction in places (which may positively be viewed as giving it ‘balance’). It is important, nevertheless, because it offers a window into a shift in approach, a reading of the tea leaves at the bottom of the public policy cup.

The Investment Principles

In contrast to the Service Delivery Principles the National Investment Principles in Remote Locations are short and clear. They spell out the parameters of normalisation and the re-engagement of the state in remote areas (COAG 2008a, p. E-79):

- a) remote Indigenous communities and remote communities with significant Indigenous populations are entitled to standards of services and infrastructure broadly comparable with that in non-Indigenous communities of similar size, location and need elsewhere in Australia;
- b) investment decisions should aim to: improve participation in education/training and the market economy on a sustainable basis; and reduce dependence on welfare wherever possible; and promote personal responsibility, and engagement and behaviours consistent with positive social norms;
- c) priority for enhanced infrastructure support and service provision should be to larger and more economically sustainable communities where secure land tenure exists, allowing for services outreach to and access by smaller surrounding communities, including:
 - a. recognising Indigenous peoples' cultural connections to homelands (whether on a visiting or permanent basis) but avoiding expectations of major investment in service provision where there are few economic or educational opportunities; and
 - b. facilitating voluntary mobility by individuals and families to areas where better education and job opportunities exist, with higher standards of services.

While the National Indigenous Reform Agreement sets a framework for a broad reduction in disadvantage, with targets to improve some key 'gap' areas, and its Service Delivery Framework is open to a range of interpretations, the Investment Principles set out clearly the new direction in Indigenous affairs policy. Indigenous people will receive mainstream services, small settlements will not receive the same level of support as they have in the past. Emphasis will fall on education, employment, markets and changes in Indigenous behaviour. The National Partnership Agreements that implement the National Indigenous Reform Agreement, which will be assessed below, have already given some indication of how this policy change will be applied. Initially, twenty-six communities across Australia were chosen for immediate implementation of the policy. This has been expanded to twenty-nine.⁷ The twenty-nine communities identified so far are:

⁷ The NP on Remote Service Delivery stipulates that 26 locations in Australia will be chosen for funding to implement the proposals, but does not name them, identifying only the number in each state (15 in the NT, 3 in WA, 4 in Queensland, 2 in SA and 2 in NSW). The NP on Remote Housing is not limited to specific locations. It was not until April 21st 2009 that Minister Macklin revealed that the \$5.5b allocated to housing over the next decade would be spent in the same priority communities covered by the NP on Remote Service Delivery, in a speech to the John Curtin Institute of Public Policy in Perth. She named 27 (one more in WA), with a further two, Mossman Gorge and Coen, flagged for 'continuing work' (Macklin 2009a). In December 2009 the Coordinator General for Remote Services, who oversees the Remote Services NP, reported on 29 communities, including Coen and Mossman Gorge. The list of targeted communities does not appear on the Minister's website, nor is it clear how the total funds agreed in both the Housing and the Remote Services NPs are to be distributed across this expanded list. The Minister's Department, FaHCSIA, issued no press releases in 2009. The Housing NP is briefly mentioned in the 2009 Annual Report without any indication of the target communities. Following a recommendation in the Coordinator General's first report (Recommendation 3.5) COAG is actively considering rolling out all Indigenous-related NPs only to these 29 settlements (COAG 2010, p. 23).

- NT: Galiwinku, Gapuwiyak, Gunbalanya, Hermannsburg, Lajamanu, Maningrida, Milingimbi, Nguui, Ngukurr, Numbulwar, Wadeye, Yirrkala, Yuendumu, Angurugu and Umbakumba
- QLD: Mornington Island, Doomadgee, Hope Vale, Aurukun, Coen, Mossman Gorge
- WA: Fitzroy Crossing, Halls Creek, Beagle Bay, Ardyaloon (One Arm Point)
- SA: Amata and Mimili
- NSW: Walgett and Wilcannia.

Several of these are towns that lie within normal state jurisdictional and statutory frameworks, others are effectively towns but with a particular Aboriginal profile and on Aboriginal land.

Without fanfare, the National Investment Principles overturn three decades of practice in Aboriginal affairs. Beneath the surface they signal the Commonwealth backing off from direct involvement in Aboriginal development and an increased role for state and territory governments. It is necessary to dig into their context to unearth this. The smaller 'homeland' communities which sprang up across the remote areas from the late 1970s have diverse historical origins, but they share one characteristic – they were encouraged and almost entirely funded by the Commonwealth government. The homelands movement began early in the Northern Territory where the Commonwealth had most control (see Coombs & Dexter 1982). In Western Australia it did not really take off until the mid-80s. Aboriginal negotiators fighting a rearguard action against the Labor government's default on its promise of national land rights, gained a commitment to funding of small homeland settlements instead.⁸ In South Australia it was facilitated by the passage of the Pitjanjatjarra land rights act. Queensland, in contrast, has few small homeland settlements. In the Northern Territory the Commonwealth handed responsibility for essential services on homelands to the NT government in September 2007. In Western Australia and South Australia this can be expected to occur by operation of the Investment Principles of the National Indigenous Reform Agreement, and by specific provisions within the National Partnership Agreements. With funding responsibility for small homeland settlements falling to state and territory governments their future is not bright. These governments have applied neither resources nor administrative attention to these areas in the past, and it is unlikely that they will robustly shoulder this responsibility in the future (see Crough 1997:2).

There is a second reason for believing the Investment Principles signal a backing off from direct Commonwealth funding of infrastructure and services in favour of indirect contributions to Aboriginal development. In practice, the way that they have been applied insists that, not only will Aboriginal people expect the same level of services as the general population, the services will be delivered in the same way. Housing, municipal and essential services, primary health care, education – in the mainstream these are all state or territory responsibilities. The National Partnership Agreements, particularly the Housing agreement, show that the Commonwealth expects the states to take up responsibility in the Aboriginal sphere also. These agreements are described next.

⁸ The West Australian land rights bill failed to pass the Upper House in 1984. WA Aboriginal leaders in the National Aboriginal Conference (NAC) concentrated on holding the Commonwealth government to its campaign promise to introduce national legislation. The West Australian Labor government successfully persuaded their Commonwealth colleagues otherwise (see Beresford 2006). Instead the two governments agreed that the state would facilitate the establishment of small communities by excising land from existing tenures, declaring it as Aboriginal reserve, and leasing the reserves to Aboriginal communities for a period of 99 years (see Sullivan in Edmunds 1999; Crough 1997). For its part the Commonwealth agreed to provide the infrastructure funding for these communities. This particularly affected the Kimberley region where about 100 homeland communities were established in the latter part of the 1980s.

The National Partnership Agreements

There are six Indigenous-specific National Partnership Agreements attached to the National Indigenous Reform Agreement:

- *Indigenous Early Childhood Development* (\$489.62m from Commonwealth + \$75m states)
- *Remote Service Delivery* (\$187.7m Commonwealth + \$103.5m states)
- *Indigenous Economic Participation* (\$172.7m from Commonwealth + \$56.2m states)
- *Remote Indigenous Housing* (\$4.78b from Commonwealth, for states)
- *Closing the Gap in Indigenous Health Outcomes* (\$805.5m Commonwealth + \$771.5m states)
- *Remote Indigenous Public Internet Access* (\$6.967m Commonwealth)

Of course, other mainstream NPs, and other streams of Commonwealth and state funding, will affect Aboriginal and Torres Strait Islander people as well. Nevertheless, these six NPs are the most explicit commitment of new money, and the money comes with explicit responsibilities and performance targets for both the Commonwealth and the states/territories. Of these NPs, the most potentially significant for remote Aboriginal areas are the NP on Remote Service Delivery and the NP on Remote Indigenous Housing. These are linked, targeting the same locations, and will be discussed here. A fuller analysis would also include the NP on economic participation. Although it is not confined to remote areas, it will have a significant effect as it aims to replace CDEP positions with 720 full-time positions in state government services, and 1280 in Commonwealth government services (COAG 2008d). While CDEP is an employment program administered by, and largely providing the workforce for, community service organisations, these jobs will be government positions.

The National Partnership Agreement on Remote Service Delivery

The first thing to note about the Remote Service Delivery NP is that it does not aim to provide any services. It lays the groundwork for a governance and facilitation framework within which actual services under other programs, such as housing, sanitation, child support etc, can be delivered. This NP's centre-piece is the provision of a combined state/Commonwealth one-stop-shop for government agencies in each of the 29 identified communities. In this respect it can be seen as an extension of the concept of the COAG whole-of-government trials of the mid-1990s (see Humpage 2005). It also provides funds for capacity building of Aboriginal leaders and for interpreter services.

It is unclear how the budget agreed in the NP, which was originally for twenty-six communities, will be distributed among twenty-nine. The NP budget provides:

Element of proposal	Commonwealth funding (\$m)	State funding (\$m)	Total (\$m)
Baseline mapping, evidence base, and monitoring and evaluation	36.6 all Cwth own purpose expenditure	0 no State costs	36.6
Governance	128.1	73.7	201.8
<i>Single government interface</i>	<i>77.1 2/3 of costs</i>	<i>38.6 1/3 of costs</i>	115.7

Element of proposal	Commonwealth funding (\$m)	State funding (\$m)	Total (\$m)
<i>Agreeing local service delivery plans between governments and communities</i>	5.9 <i>2/3 of location based costs</i>	12.5 <i>1/3 of location based costs + fixed State/Territory costs</i>	18.4
<i>Fixed cost per State/Territory (over 26 locations)</i>			9.3
<i>Locations based costs (over 26 locations)</i>			8.8
<i>Building community governance capacity</i>	45.1 <i>2/3 of costs</i>	22.6 <i>1/3 of costs</i>	67.7
Land Tenure	0 no Cwlt own purpose expenditure	8.1	8.1
Cultural awareness training	3.3 $\frac{1}{2}$ of location based costs, plus cost of national component	2.9 $\frac{1}{2}$ of location based costs	6.1
Translation services	19.8 $\frac{1}{2}$ of location based cost, plus cost of national component	18.9	38.6
Total	187.7	103.5	291.2

Source: National Partnership Agreement on Remote Service Delivery (COAG 2008b:11).

The budget is somewhat inscrutable. While the five major headings add up to the projected total of \$291.2m the sub-totals for expenditure on Governance do not equate to the amount under this heading, they cost \$18.1m more at \$219.9m. Nevertheless, whichever figure is the more accurate, it is clear that the bulk of funds is allocated to governance, and this category covers three quite different activities. Most of this allocation is for establishing the 'single interface' for governments. Building community governance capacity receives the next largest allocation under this heading, and developing service delivery plans somewhat less. Establishing the single government interface accounts for almost one-third of funding committed under the whole NP. Although this is notionally spread evenly over twenty-six locations it can be expected that actual costs will vary, since some of the identified locations are already established service centres or towns and others are smaller and more remote. It is questionable, also, whether each of these centres requires the same level of service. Four of the communities have a population of less than 250 people, another eight communities less than 750, twelve have less than 1250, and only five have more than this number (Coordinator General 2009:58). Nevertheless, the intention is clear – government services will be provided more rapidly and effectively in these areas by co-locating government personnel in a single centre. In his first report the Coordinator General firmly reminds partner governments to forgo their business-as-usual mind-set (Coordinator General 2009:93-94). However, the experience of the Indigenous Coordination Centres, which aimed to achieve much the same outcome as this NP across the country (though limited to Commonwealth agencies) has apparently not been drawn upon in this plan. Interestingly, the evaluation of the COAG trials has. The only clear outcomes of the summary evaluation of the

individual evaluations of COAG trial sites were that failures ('challenges' in the report) where they occurred were due to lack of understanding of Aboriginal cultural norms, lack of communication, and underdeveloped leadership on the Aboriginal side (Morgan Disney 2006). These conclusions could be disputed. Nevertheless, they have been addressed in the NP proposal. Still, in the absence of any rigorous cost/benefit analysis there are some uncertainties surrounding this investment. There may be benefits from increasing the concentration of government personnel in remote locations. Equally, there is a danger that this will simply increase the cost of the administrative overburden.

Public servants of the kind proposed do not themselves provide services. They do not build houses, treat the sick, or teach the children. It is important, then, that the plan does include an allocation for community governance capacity-building, as community members are closer to the actual point of delivery of government services. In keeping with the ambivalence of the Service Delivery Principles outlined above, the NP is not precise about how it frames 'community governance' in this context. This is less defensible than in the national Service Delivery Principles since community service-delivery organisations are a consistent feature of remote locations. When a funding category such as 'community governance capacity' is unclear it makes sense to refer to the 'deliverables' section of the NP, where the outputs, the means by which the outcomes and objectives will be achieved, are described. Here the only item that can be lined up with this funding category is 'the delivery of community leadership skills programs' (COAG 2008b:17(h):7). The Commonwealth also takes responsibility for mapping, building and maintaining the evidence base on 'existing community networks and decision making processes as the basis for establishing legitimate Indigenous community governance structures and decision-making processes' (COAG 2008b:19 (e)(ii):7). It does seem from this that actual expenditure is only envisaged for improving leadership skills, while it is either assumed that service delivery organisations are already adequately funded, or will only be required to provide a locus of consultation, while government agencies provide the actual functions.

The NP signals significant government re-engagement with its responsibilities to Indigenous citizens, particularly from state governments, but the terms of this re-engagement may be misconceived. The politicians and public servants behind this policy appear to have a vision of an improved Aboriginal leadership and local consultative bodies informing governments, through their single government interface, that then roll out national programs to meet COAG's Closing the Gap targets. More reasons for a lack of optimism about this approach will be put at the end of this paper. Here it is necessary to observe that it is unlikely sufficient numbers of public servants, of sufficient capacity, will be attracted to these twenty-nine locations, still less to all the others neglected in this NP. It is a significant shortcoming of this NP that it fails to identify existing community service organisations as an existing resource with many of the attributes necessary to ensure the success of government programs. This comes into sharper focus with the Housing NP, which applies to the same communities, and more explicitly transfers the role of housing management from the community level to state/territory government bureaucracies.

The National Partnership Agreement for Remote Housing

The Remote Housing NP was not drafted with the intention of limiting it to the twenty-nine identified communities. The Performance Indicators cover a wide range of measures that clearly relate to all remote communities in the country (COAG 2008c:7-9). Nevertheless, the Minister in an early press release stated that the funds identified in the NP will provide houses in the identified communities only (Macklin 2009b). This seems unnecessarily restrictive and the eventual roll-out may well be wider than this. Co-locating the housing programs with the same communities as the Remote Services

NP guarantees that a substantial part of the initial workload of the envisaged single government interface will be devoted to implementing the Remote Housing NP. As outlined below, this requires a fundamental realignment of jurisdictional responsibilities and is a structurally very complex exercise.

The NP provides in the region of \$4.7b (\$5.5b when funds previously committed to the NT are included) over ten years in Commonwealth facilitation payments. The Commonwealth commits to funding housing and housing-related infrastructure, but there is another very important aspect of the NP that currently receives little attention. The agreed funding is also for the provision of essential and municipal services, which are defined in the agreement as: ‘power, water and sewerage operation and maintenance, road maintenance, waste disposal, landscaping and dust control, dog control, environmental health activities, and management of infrastructure and municipal services’ (COAG 2008c, p. 4 ss10.b). The NP envisages that the Commonwealth will continue to fund these under existing arrangements until an agreement is reached with the states/territory over future funding and responsibilities (COAG 2008c, p. 6 ss15.b). Apart from acknowledging existing state responsibilities there is no explicit provision within the agreement for the commitment of state funds. Yet there is a considerable expectation by the Commonwealth that the states will take up responsibility for both housing and essential services. The NP is quite clear about what is expected from the states and the Northern Territory in return for new housing funds. They must:

- procure tenure of the land
- administer the housing through public housing agencies
- use standard tenancy agreements
- be responsible for ongoing maintenance
- provide essential services to a standard equivalent to non-Indigenous people

This adds another dimension to the National Investment Principles, described above as the central plank in a platform of normalisation. Not only should Indigenous people expect services to the same standard as non-Indigenous people, but they are to be delivered as far as possible in the same way. At present, housing and essential services in discrete Aboriginal communities, and in some town enclaves, is provided and administered by Aboriginal housing cooperatives, voluntary associations, or Aboriginal statutory organisations with some municipal powers. The NP stipulates that by 2015 all housing in remote communities must have tenancy management, rent collection and tenancy support services overseen by state or territory governments as one of the Performance Indicators under the agreement (COAG 2008c:8). Tenancy management must be ‘consistent with public housing standards of tenancy management’ and new housing must be delivered through existing state and territory housing authorities. Land tenure arrangements must ‘facilitate effective asset management, essential services and economic development opportunities’ (COAG 2008c 16(a)(b)(c):6). In the Northern Territory the Commonwealth has been tenacious in ensuring that this last clause means Aboriginal-held land must be leased to the public housing agency Territory Housing, at least in the highly contested case of the Alice Springs town camps. It is not yet clear whether it will be equally obdurate in other jurisdictions, or whether tenure could be held by community housing cooperatives or other Aboriginal NGOs.

Currently, Aboriginal housing is placed on a variety of tenures – special purpose leasehold, land held under land rights legislation, leased reserve land, pastoral lease and probably also some freehold land. Many of these tenures are also compatible with native title, and in some areas that are due for new housing determinations of native title have been made. Similarly, the ownership of the housing assets themselves originates in grants from a variety of sources dating back to the Department of Aboriginal Affairs in the 1980s and includes the Aboriginal Development Commission and ATSIC. The recipient

of the grant, and the conditions of grant, also vary and can now often be obscure. Housing maintenance and rent collection is an equally diverse responsibility, sporadic and poor. To be fair to the Commonwealth, the administrative and tenure framework for existing housing is in a mess and it is reasonable to balk at perpetuating it with the release of new funds. The new arrangements also aim to create a housing 'market' in broad economic terms.⁹ The agency investing in new housing will also be responsible for the investment return, rents, and for expenses such as maintenance. Market dynamics, in this view, will ensure better value for money at every step in the housing delivery and maintenance chain (see Porter 2009). Nevertheless, the Commonwealth's firm stance is not the only way forward, it may lead to undesirable outcomes, and it will, in any case, be very difficult to achieve.

State and territory housing departments do not have a proud record of providing shelter to Aboriginal and Torres Strait Islander tenants in the more settled areas of Australia, so it is important that they provide some assurance they can deal with the complex array of problems that will arise on land leased or acquired in more remote areas. There are both cultural and practical considerations. In Aboriginal areas the person holding the tenancy agreement is not always able to force members of the extended family and visitors to observe proper care. Sanctions taken against the tenancy-holder could penalise the most responsible person among all those that use a house, with no impact on transients or particularly recalcitrant individuals. The ultimate sanction of eviction is fraught with difficulties, with questions over who is to enforce this and whether, even if successful, it would simply transfer the problem to another household. Even in the twenty-nine settlements with new housing and maintenance programs overcrowding will be a problem for many years, and this can lead to wear and tear on houses that cannot be blamed on the tenancy-holder. It is not apparent that mainstream housing agencies have a means of assessing this. High mobility and lack of literacy skills may often lead to the tenancy-holder moving on without formal transfer to another person or group, and subsequently being penalised in another settlement for the activity of others in their absence. Poverty is also an important factor in any future housing policy. Aboriginal incomes are in general so low that it is difficult to see how standard rents can be levied, and the utility of governments providing social security incomes with one hand, and taking this back with the other, is difficult to discern. For mainstream rental subsidies to come into play the rents need to be above a national benchmark, and paid to private providers.¹⁰ Cultural requirements are also likely to provide a source of conflict between standard tenancy agreements and Aboriginal people. The need for reciprocity, generosity to kin, shelter and protection from adversity can lead to overcrowding; while the widespread cultural prohibition on occupying a location where someone close has died can lead to the abandonment of a property. The bureaucratic overload of this system, and the potential for many families to fall through the cracks, are great. Yet the concentration on individual tenancies which is the result of the Commonwealth's funding conditions mitigates against a more rational scheme such as building rental subsidies into community housing plans from the start. It is not too far-fetched to envisage this approach leading to more homelessness in remote areas, with significant numbers of tenants evicted, banned or choosing not to dedicate their income to rent, leading to camps and shanty towns surrounding vacant housing in remote settlements. Clearly, the goal of improved shelter and sanitation in remote settlements requires a social action plan as much as it needs practical tenure and adequate building and maintenance standards. Local knowledge and established relationships are of great value here, and local housing boards should be a cornerstone of the program for new housing delivery.

⁹ They may also create a market in narrow commercial terms. The Implementation Plan for the Remote Services NP in Western Australia requires that the state government '... work towards allowing maximum transferability of individual titles to facilitate home ownership and commercial use of Aboriginal land' (COAG 2009:9).

¹⁰ See http://www.centrelink.gov.au/internet/internet.nsf/payments/rent_rates.htm#yes

Conclusion

The Commonwealth's insistence on the involvement of state/territory government agencies in the roll-out of new funding and programs is founded on a commitment to re-engagement between governments and Aboriginal and Torres Strait Islander people, but it is a misguided application of this important principle. The policy of normalisation in Indigenous affairs reflects a positive aspiration to deliver services to remote settlements at a standard expected by other citizens. The instruments for delivering this policy, described in this paper, take this aspiration a further step by requiring that these services be delivered as far as possible in standard ways, and these involve state and territory governments. With implementation of mainstream National Agreements, for example in health, public housing and social housing, the constitutional constraints of Australian federalism mandate the involvement of the states. This is not the case in Aboriginal and Torres Strait Islander affairs, since the Commonwealth has been explicitly empowered by the referendum of 1967. It is questionable whether the states and territories are appropriate vehicles for Aboriginal and Torres Strait Islander development, and difficult to understand why the Commonwealth is so persistent in pursuing this course. The states' prominence within the regulatory and administrative framework of Aboriginal and Torres Strait Islander affairs has not been well matched with own-purpose funding and programs, and they need to overcome a legacy of mistrust and the general atrophy of expertise since the removal of discriminatory practices around the time of the 1967 referendum. This is not an optimistic grounding for the involvement of state agencies in the modern era. Secondly, the states have a lack of incentive to perform well, despite their profession of good intentions. The Commonwealth's insistence that states and territories shoulder the administrative burden of development, and commit a proportionate amount of their own funds if the Commonwealth is to contribute its lion's share, presupposes a benefit to the states from their commitment of resources, but it is difficult to escape the conclusion that in their calculations the benefit does not outweigh the costs and the risks. This approach has been pursued with little clear progress at least since the Premier's conference of 1990 (Australian Aboriginal Affairs Council 1991). Surely two decades is long enough to conclude that the states either cannot or will not shoulder their responsibilities? State and territory engagement in Aboriginal and Torres Strait Islander development is failed policy, re-committing to 'making it work' is not a good enough strategy for this area of deep need.

It is an inefficient application of resources to provide funding to the states for Aboriginal and Torres Strait Islander development. Even if the states and territories were able to effectively manage the development of their Aboriginal and Torres Strait Islander settlements, their involvement increases the layers of administration and consequently the overburden of costs and processes, especially as the 'extra' funding contributed by the states has already passed through the hands of the Commonwealth through its redistributive mechanisms in Specific Purpose Payments and Commonwealth Grants Commission fiscal equalisation grants. Dillon and Westbury are not the first to point out how unfairly these CGC funds are dispersed (Dillon & Westbury 2007, pp. 185–189; see also Commonwealth Grants Commission 2001, pp. 69–87; Yu et al. 2008, pp. 50–51), and they suggest a better way of dealing with the problem than coercing state co-contributions to development through National Partnership Agreements. They suggest the creation of a separate jurisdiction of remote Australia for the distribution of CGC funds. Under this model, for fiscal purposes one more jurisdiction would be added to the map of Australian states and territories, the fiscal jurisdiction of Remote Australia. Those states that have remote areas, and the Northern Territory, would each get one CGC allocation for their non-remote areas and a share of the total allocation for Remote Australia. They do not discuss a formula for distributing funding to Remote Australia in relation to the total pool of funding available for all jurisdictions. It may be useful to match their proposals to the recommendations of a review of

Commonwealth/state funding undertaken for the states of New South Wales, Victoria and Western Australia by Ross Garnaut and Vince Fitzgerald (Committee for the Review of Commonwealth-State Funding 2002). The authors are scathing of the current horizontal fiscal equalisation system administered by the Commonwealth Grants Commission, saying:

The system reflects what appears to be a particular Australian genius for almost infinite bureaucratic elaboration, usually in pursuit of a perceived concept of equity. Complexity has a number of adverse effects, even if the principles on which arrangements are being elaborated are sound, including:

- increasing transaction costs in running the system
- difficulty in evaluating performance and efficiency
- weakening democratic accountability because it almost always limits public understanding of what is being done

... Overall the current system of HFE implemented by the CGC is a mystery to almost the entire Australian community (Committee for the Review of Commonwealth-State Funding 2002:179)

They recommend a vastly simplified system in which the Commonwealth would guarantee each state and territory an indexed lump sum based on the calculated cost of the provision of accepted minimum levels of governance and services in each case, plus the balance of funds distributed on a strict per capita basis (Committee for the Review of Commonwealth-State Funding 2002:191). In addition they suggest existing Specific Purpose Payments should be packaged into three broad national programs: Health and Aged Care, Education and Training and Indigenous Community Development, with the states responsible for the first two and the Commonwealth for the third.¹¹ Dillon and Westbury also suggest both a national Remote Development and a national Indigenous Reform Commission (Dillon & Westbury 2007, pp. 82, 214). Putting together these two expert proposals, the social problems of remote Australia could be addressed by creating a separate jurisdiction for funding purposes, providing establishment funding for governance and infrastructure, providing ongoing per capita grants, and administering these through a national commission. The Remote Development Commission would distribute funds from the General Purpose grants pool. To streamline development it would ideally be nationally directed but locally administered through regional authorities that could include local government, state and territory government representatives, representatives of major commercial operations in a region (for example resource industries) and regional Aboriginal or Torres Strait Islander representative organisations. For practical reasons existing local government boundaries should define a region, and where these don't exist they should be created (though a region may encompass more than one Local Government Area). Within a region, local organisations should be supported to develop and deliver local programs in line with national development goals. In comparison to these fundamental reform proposals the National Indigenous Reform Agreement appears grounded more in the ideological and political shackles that bind the Commonwealth and state governments to each other than in practical solutions, and leaves the National Partnership Agreements only able to nag at the periphery of an urgent national problem.

¹¹ This recommendation was made before the Commonwealth reduced the number of Specific Purpose Payments from over 90 to just five. However, as discussed above, it effectively rolled the remainder over into National Partnership Agreements and has not adopted the radical intent of the Garnaut Fitzgerald recommendations.

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