



***EDUCATION AND HEALTH
STANDING COMMITTEE***

**INITIATIVES IN THE REMOTE
INDIGENOUS COMMUNITIES
OF CAPE YORK**

**Report No. 7
in the 37th Parliament**

2007

Published by the Legislative Assembly, Parliament of Western Australia, Perth, June 2007.

Printed by the Government Printer, State Law Publisher, Western Australia.



Education and Health Standing Committee

Initiatives in the Remote Indigenous Communities of Cape York

ISBN: 1 921355 12 7

(Series: Western Australia. Parliament. Legislative Assembly. Committees.
Education and Health Standing Committee. Report 7)

328.365

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INDIGENOUS COMMUNITIES
OF CAPE YORK**

Report No. 7

Presented by:

Hon. T.G. Stephens, MLA

Laid on the Table of the Legislative Assembly
on 21 June 2007

COMMITTEE MEMBERS

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	Mr T.K. Waldron, MLA Member for Wagin
	Mr M.P. Whitely, MLA Member for Bassendean

COMMITTEE STAFF

Principal Research Officer	Dr Jeannine Purdy, BA, B Juris (Hons), LLB, PhD (Law and Legal Studies)
Research Officer	Ms Nicole Burgess, BA (from 4 December 2006) Mr Peter Frantom, BA (until 9 February 2007)

COMMITTEE ADDRESS

Education and Health Standing Committee
Legislative Assembly
Parliament House
Harvest Terrace
PERTH WA 6000

Tel: (08) 9222 7494
Fax: (08) 9222 7804
Email: laehsc@parliament.wa.gov.au
Website: www.parliament.wa.gov.au

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COMMITTEE'S FUNCTIONS AND POWERS

The functions of the Committee are to review and report to the Assembly on:

- (a) the outcomes and administration of the departments within the Committee's portfolio responsibilities;
- (b) annual reports of government departments laid on the Table of the House;
- (c) the adequacy of legislation and regulations within its jurisdiction; and
- (d) any matters referred to it by the assembly including a bill, motion, petition, vote or expenditure, other financial matter, report or paper.

At the commencement of each Parliament and as often thereafter as the Speaker considers necessary, the Speaker will determine and table a schedule showing the portfolio responsibilities for each committee. Annual reports of government departments and authorities tabled in the Assembly will stand referred to the relevant committee for any inquiry the committee may make.

Whenever a committee receives or determines for itself fresh or amended terms of reference, the committee will forward them to each standing and select committee of the Assembly and Joint Committee of the Assembly and Council. The Speaker will announce them to the Assembly at the next opportunity and arrange for them to be placed on the notice boards of the Assembly.

INQUIRY TERMS OF REFERENCE

That the Committee examine, report and make recommendations on successful initiatives in remote Aboriginal communities. The Committee will pay particular attention to:

1. The costs and benefits of successful initiatives;
2. The model utilised for the development and delivery of successful initiatives; and
3. Where possible, comparing and contrasting the models utilised for the development and delivery of successful initiatives.

The Committee will report its findings and recommendations to the Legislative Assembly by 29 November 2007.

CHAIRMAN'S FOREWORD

I am indeed very pleased to be able to present to the Legislative Assembly this, the seventh report of the Education and Health Standing Committee in the thirty-seventh Parliament. On behalf of all the members of this Committee, I thank the Committee staff for their dedication and support. In particular, however, we pay special tribute to the quality work of our Principal Research Officer Dr Jeannine Purdy, upon which this tabled report has drawn.

I also make appreciative mention of the work of our former Research Officer, Peter Frantom, and current Research Officer, Ms Nicole Burgess.

This report is the second in the series of reports the Committee intends to publish on its *Inquiry into Successful Initiatives in Remote Aboriginal Communities*. The first, *Where from? Where to? A Discussion Paper on Remote Aboriginal Communities*, tabled on 5 April 2007, has proved of great interest and particular value to the many Aboriginal communities who wrestle daily with their challenges across regional and remote Western Australia.

In the foreword to this Committee's second report I commented on a key task in politics and public administration of advancing an idea or initiative and winning it support. The Committee looked at the initiative of putting swimming pools into a number of remote aboriginal communities and saw how this had secured very significant benefits for the people living in those remote locations.

This report simply writes up the Committee's observations of what has become known as the "Cape York Agenda" with a descriptive account that draws on publications by Mr Noel Pearson, the Executive Director of the Cape York Institute. We have also worked from the related Cape York agency websites, and information presented at the inaugural Cape York Indigenous Organisations Regional Conference, to which we were kindly invited by Mr Pearson.

The Committee travelled to Cape York and our Report has been enhanced by our observations and informal discussions during this visit, and in particular the opportunity to meet with Mr Noel Pearson and with many members of his organisations. Our insight into the "Cape York Agenda" was rounded out further by discussions with other residents and community members living and working on Cape York.

Although the Committee makes no findings in this report, nor makes any recommendations for action by the Western Australian government, our work is presented to the State Parliament at a very significant time in the discussion of Indigenous affairs across Australia.

Following the adoption of our report by the Committee, but in the same week as its tabling in the Parliament, the Cape York Institute for Policy and Leadership has presented its Report on the Cape York Welfare Reform Project. In a document entitled 'From Hand Out to Hand Up - Design Recommendations', dated May 2007 but made public on June 18th, the Cape York Institute has presented to the Federal Government a document that calls for the piloting of a series of

recommendations that would then in turn be trialled and made the subject of a final report due in September 2007.

The response of the Federal Government to these recommendations has not been finally expressed, but the preliminary indications are that the pilot programmes will be given the go ahead by the Federal Government which commissioned the original report.

Readers of this Committee report will find it to be a very useful document to understand the background of Mr Pearson and the '*Cape York Agenda*'. That '*Agenda*' cannot be fully understood without appreciating a large number and complex array of organisations, the critical debates surrounding their influence, and the considerable financial commitment of governments and others marshalled to implement Mr Pearson's ambitions for the Cape.

Little significant analysis of the '*Agenda*', with particular reference to its broader application through Commonwealth policies to Indigenous individuals and communities throughout Australia, has been done. It seems imperative that this happen.

It recent times the area of Indigenous affairs has been marked by what I would describe as near complete policy paralysis on the part of all spheres of government across Australia - local, state and especially Federal. At the Federal level in particular there is evidence of conflicted policies, and disparate aims and goals, being pursued in fits, characterised by stops and starts and the haphazard pursuit of public policy and administration.

In no area of government activity could such an approach have worse impact than it does within this area of Indigenous affairs, which is marked by such great need.

I detect within the wider Australia community a burning ambition for their governments to have as a core task that work towards significantly enhancing the life and opportunities of Indigenous people across this country.

Finally, I repeat my own passionately felt observation which applies to almost every area of human activity, but applies with most particular relevance and accuracy to the field of indigenous affairs: any genuine attempt to tackle challenging areas of public policy needs to be guided by the lessons of history. Without a working knowledge of our history we can be too easily destined to relive it. This would be particularly tragic in the area of Indigenous affairs, where the policy and administration of governments needs a dramatic kick-start and newfound intelligence and focus.

From my own now long years of friendship, involvement and association with Aboriginal people and - in particular - with remote Aboriginal communities, I detect precious little sign within government policy or administration that it is driven by any real understanding of the many serious and challenging issues with which Aboriginal people are faced. There is very little evidence that suggests any understanding of why these various tough issues surface, and therefore there is a constant danger in seeing the Aboriginal community in crisis without there being a larger, historical and social context against which this can be understood.

How does government policy and administration know where to go? What are the issues that it should be addressing? What are the values that strengthen aboriginal people and their families and

communities and what are their strengths? Where is the opportunity for collaborative relationships between Aboriginal people and government and the wider community to ensure that the good will that is tangible at present does not evaporate into another desert sunset?

In recent times I have been particularly taken by reports of the participatory action research model that has been used at Yarrabah in North Queensland. The work there with the family wellbeing project and men's health would appear to offer some significant signs of hope. There is evidence in particular of Indigenous men taking their rightful place in society.¹ What is revealing from this research about these programs is that they have managed to build into their project local involvement and capacity but also outside resourcing.

They have managed to develop an action research process that builds people's knowledge and involvement. They have worked well with local people and outside support staff.

Throughout the Aboriginal communities, too easily projects can rise or fall, in response to the role of particular individuals, their vision and energy. Too many Aboriginal communities have got too used to outsiders coming in and doing what they do. The outsiders generally do not know how to move with the people and develop a collaborative approach.

Too often they come in with the answers, and not the questions.

Working from a deficit model, they can too easily miss the importance of how inter-generational relationships, while fractured, continue to be vitally important. They can miss the importance of history.

In the field of Indigenous affairs there needs to be, now more than ever, some real program logic with models of inputs, activities, outputs, outcomes and impact. All of our government policies and programs in the field of Indigenous affairs need to be underpinned by tackling the issues of race, power, control and local participation.

Finally, now more than any time, is a time for synthesis - integrating agendas so that "rights" and "responsibilities" are included in the agreed agenda as the way forward. It is simply trite to think that a focus on one at the expense of the other will produce the progress that we all seek.

I commend this report to the House.

HON. T.G. STEPHENS, MLA
CHAIRMAN

¹ A preliminary analysis of a participatory action research process with Yarrabah men's health group, *Aust. J Rural Health* (2002), 10, pp278-284. Also, 'Social determinants of health, the 'control factor' and the Family Wellbeing Empowerment Program', *Australasian Psychiatry*, Vol 11, Supplement, 2003.

ABBREVIATIONS AND ACRONYMS

ABS	Australian Bureau of Statistics
AITSIS	Australian Institute of Aboriginal and Torres Strait Islander Studies
AMP	Alcohol Management Plan
ARIA	Accessibility/Remoteness Index of Australia
ATSIC	Aboriginal and Torres Strait Islander Commission
BAMA ISX	Broome Aboriginal Media Association Indigenous Stock Exchange
BCG	Boston Consulting Group
CAEPR	Centre for Aboriginal Economic Policy Research
CDEP	Community Development Employment Program
Clth	Commonwealth
COAG	Council of Australian Governments
CYDN	Cape York Digital Network
CYHOA	Cape York Heads of Agreement
CYI	Cape York Institute for Policy and Leadership
CYP	Cape York Partnerships
DEWR	Department of Employment and Workplace Relations
DOGIT	Deed of Grant in Trust
ECIS	Every Child is Special project
FaCSIA	Department of Families, Communities and Indigenous Affairs
FIM	Family Income Management project
HEP	Higher Expectations Program
IEP	Indigenous Enterprise Partnerships
MCMC	'Meeting Challenges Making Choices'
MultiLit	Making up lost time in Literacy program
OIPC	Office of Indigenous Policy Coordination

ORAC	Office of the Registrar of Aboriginal Corporations
PBI	Public Benevolent Institution
RPA	Regional Partnership Agreement
SRA	Shared Responsibility Agreement
STEP	Structured Training and Employment Projects
VET	Vocational Education and Training

GLOSSARY

Alcohol Management Plans	Alcohol management plans (AMPs) are developed by Community Justice Groups for relevant Queensland communities. An alcohol management plan contains recommendations about how to reduce alcohol-related crime and violence in the community, and may include the declaration of 'dry' (no alcohol allowed) places. State and community police will be able to enforce the dry place declarations.
Cape York Agenda	The title of Mr Noel Pearson's address to the National Press Club, Canberra, 30 November 2005, it refers to Mr Pearson's agenda for reforming the remote Indigenous communities of the Cape by addressing passive welfare, substance abuse and participation in the 'real economy'.
Community Justice Groups	Community Justice Group were previously funded by the old Queensland Department of Aboriginal and Torres Strait Islander Policy, and established under the <i>Community Services (Aborigines) Act 1984</i> (Qld) to represent the main Indigenous social groups, such as Traditional Owners, historical people and large families, in a community. Amongst other things, the Justice Groups can declare dry places and advise the Community Liquor Licence Board.
Community Development Employment Program (CDEP)	CDEP began in 1977 at the request of several remote Aboriginal communities as an alternative to receiving unemployment benefits. Initially based on community development, with projects ranging from housing and road maintenance to artefact production and horticultural enterprises as well as maintaining the cultural integrity of the Indigenous Community, the emphasis of CDEP has changed more recently so that employment away from CDEP is seen as an intended outcome for many CDEP participants. ² The Commonwealth currently describes CDEP as providing 'activities which develop participants' skills in order to assist them move into employment outside the CDEP and to meet community needs'. ³
Council of Australian Government (COAG)	The peak intergovernmental forum in Australia, comprising the Prime Minister, State Premiers, Territory Chief Ministers and the President of the Australian Local Government Association.
Deed of Grant in Trust (DOGIT)	The form of land grant to Aboriginal communities in Queensland established in 1984. It is a system of community level land trusts, for the ownership and administration of former Aboriginal reserves, under a special form of title. Incorporated Aboriginal Councils, which elected representatives every three years, manage the

² Community Development Employment Projects NSW, Available at: <http://www.cdep.com.au/default.aspx?id=1> Accessed on 13 February 2007.

³ Australian Government (Employment and Workplace Services for Australians), Available at: <http://www.workplace.gov.au/workplace/Category/SchemesInitiatives/IndigenousProgs/CommunityDevelopmentEmploymentProjectsCDEPprogramme.htm> Accessed on 13 February 2007.

community's affairs.⁴ In 2004, changes were made to DOGIT Councils, other than those in the Torres Strait, to bring them under the *Local Government Act 2004* (Qld), while special provisions also recognised the particular needs and circumstances of these councils and communities.⁵

Health Action Groups	Health Action Groups appear to be modelled on Community Justice Groups but directed towards community input on health matters and do not currently have any legislative basis. Health Action Groups are described by the Cape York Institute for Policy and Leadership as being ' <i>set up in most communities and represent an example of a community communication mechanism</i> '. ⁶
Regional Partnership Agreements	Part of the Commonwealth government's new ways of working with Indigenous people, these are broader framework agreements, entered into between governments and a range of Indigenous organisations and including businesses and others, specifying the obligations of all parties.
Shared Responsibility Agreements	Part of the Commonwealth government's new ways of working with Indigenous people, these are agreements with families, or ' <i>communities</i> ' which are not formally structured, and which specify the obligations of both parties in relation to specific projects.
Structured Training and Employment Projects (STEP)	Commonwealth program that provides funding and tailored help to private sector businesses that employ Indigenous Australians. The program requires jobs to be available after STEP funding ceases and the level of funding depends on the type of organisation and assistance needed. Funding is available for training, developing an Indigenous employment strategy, mentoring and employment costs. 7

⁴ State Library Queensland, 'Footprints before me', Available at: <http://publib.slq.qld.gov.au/footprints/communities/dogit.htm> Accessed on 27 March 2007.

⁵ Queensland Government Department of Local Government, Planning, Sport and Recreation, *Torres Strait Community Government Review Green Paper*, 2005, p14.

⁶ Cape York Institute for Policy & Leadership, *Cape York Health Reform Project & Social Enterprise Proposal*, CYI, 2005, p68.

⁷ Australian Workplace, Available at: <http://www.workplace.gov.au/workplace/Individual/IndigenousAustralians/StructuredTrainingandEmploymentProjectsSTEPforemployers.htm> Accessed on 11 June 2007.

EXECUTIVE SUMMARY

We [Aboriginal people] have to be as forthright and unequivocal about our responsibilities as we are about our rights - otherwise our society will fall apart while we are still fighting for our rights.

We do not have a right to passive welfare - indeed, we can no longer accept it. We have a right to a real economy, we have a right to build a real economy.

Mr Noel Pearson, *Our Right to Take Responsibility*⁸

Mr Noel Pearson and the ‘*Cape York Agenda*’⁹ have exercised remarkable influence over public policy on Indigenous issues in Australia in recent years, in particular in relation to remote Aboriginal communities. As the preliminary stage of its Inquiry into Successful Initiatives in Remote Aboriginal Communities, in November 2006, Committee members travelled to meet with Mr Pearson and to visit a number of the Cape York communities to gain an insight, first-hand, into what was occurring there. This Report is essentially a descriptive account, seeking to draw together extracts from publications by Mr Pearson, related Cape York agency websites, and information presented at the inaugural Cape York Indigenous Organisations Regional Conference 2006, to which the Committee was invited by Mr Pearson. This material has been supplemented by the Committee’s observations and informal discussions during its trip to Cape York and related research materials. The Report is intended to provide an account of the ‘*Cape York Agenda*’, its various initiatives, the complex array of organisations associated with its implementation, the critical debates surrounding its influence, and the considerable financial commitment of governments and others that has been marshalled to implement Mr Pearson’s vision for the Cape.

Chapter 2 provides a brief background on Mr Pearson, other key individuals associated with the implementation of the ‘*Cape York Agenda*’, and on Cape York itself. The chapter also provides some detail of the ‘*Cape York Agenda*’, as most recently formulated by Mr Pearson, with its emphasis on ‘*seeking to ensure that Cape York people have the capabilities to choose a life that they have reason to value*’.¹⁰ It outlines Mr Pearson’s account of the failures of the previous policy paradigm and his conclusion that, over the last 30 years, Indigenous people were not supported to develop basic capabilities in important areas such as education, health and employment and as a result are ill-equipped to take advantage of opportunities in the ‘*real economy*’.

Chapter 3 outlines five of the key initiatives associated with the ‘*Cape York Agenda*’: The Boys from the Bush/Work Placement Scheme, Family Income Management, Pride of Place, Computer

⁸ Pearson, N, *Our Right to Take Responsibility*, Noel Pearson & Associates, Cairns, Queensland, 2002, ‘Central Contentions’.

⁹ The title of Mr Noel Pearson’s address to the National Press Club, Canberra, 30 November 2005, it refers to Mr Pearson’s agenda for reforming the remote Indigenous communities of the Cape by addressing passive welfare, substance abuse and participation in the ‘*real economy*’.

¹⁰ Pearson, N, *The Cape York Agenda*, Cape York Institute for Policy and Leadership, Cairns, 2005, p2.

Culture/Every Child is Special, and perhaps the most significant initiative considered in the Report, Welfare Reform. The latter is envisaged by Mr Pearson as ‘*a transition to economic development and participation*’ requiring both mobility away from non-viable remote communities and a rebuilding of social norms by developing a completely conditional welfare system for Aboriginal people.

Chapter 4 provides background on the complex array of agencies associated with the implementation of the ‘*Cape York Agenda*’. The agencies described include the seven ‘*Cape York Organisations*’: the Cape York Aboriginal Charitable Trust, the Cape York Corporation Pty Ltd and five ‘*portfolio*’ agencies dealing with the areas of land and sea rights, health, business development, community development, and policy and leadership. Related organisations, the Indigenous Enterprise Partnerships (IEP) and the now defunct ATSIC Peninsula Regional Council which appears to have played an instrumental role in the development of many of the agencies in the Cape York, are also described.

Chapter 5 refers to some of the critical debates associated with the ‘*Cape York Agenda*’. One critique identifies the current Commonwealth direction in Indigenous affairs as adopting aspects of Mr Pearson’s *The Right to Take Responsibility*.¹¹ It concludes that the result of this appropriation has been the rejection of the reconciliation agenda for a practical reconciliation based upon economic development and ‘*mutual obligation*’;¹² and the intention of government ‘*to facilitate Indigenous people from remote communities into urban society as a method of overcoming disadvantage and making the transition from dependence to independence*’.¹³ Although Mr Pearson has been an uncompromising advocate for the need to retain and recognise a distinct Indigenous culture and identity, other concerns are also identified that the kinds of social and attitudinal changes he advocates may be inimical to certain widespread Aboriginal values and practices that ‘*have not simply arisen as the consequence of colonialism or the introduction of welfare*’.¹⁴ The apparent influence of Mr Pearson’s personal recollections as a young boy in Hope Vale over his understanding of the current dysfunction in Aboriginal communities and the potential solutions, is also contrasted to other accounts and studies which create a very different impression of the Hope Vale Mission of the 1960s and 70s.

Chapter 6 draws together the published data on the funding which has been made available to implement the ‘*Cape York Agenda*’. Although complete data are not available, total funding for these initiatives appears substantial. The Report also highlights the 2001 *Cape York Justice Study Report* finding that it was essential for any new funding in the Cape York region to be focussed, coordinated and evaluated, to ensure funding was allocated ‘*to initiatives producing the most*

¹¹ Arabena, K, *Not fit for modern society: Aboriginal and Torres Strait Islander people and the new arrangements for the administration of Indigenous Affairs*, Australian Institute of Aboriginal and Torres Strait Islander Studies (AITSIS), Canberra, 2005.

¹² *ibid*, p19.

¹³ *ibid*, p21.

¹⁴ Martin, D. F, *Is welfare dependency ‘welfare poison’? An assessment of Noel Pearson’s proposals for Aboriginal welfare reform*, CAEPR discussion paper no. 213, ACT, 2001, pvii.

beneficial outcomes'.¹⁵ It appears that this evaluation has yet to occur for much of the work being undertaken as part of the '*Cape York Agenda*'.

Chapter 7 concludes this Report by noting that the contribution of Mr Pearson and the '*Cape York Agenda*' cannot be easily categorised. The '*Cape York Agenda*' has been embraced by many who see it as altering public policy on Indigenous issues in Australia, most significantly by raising the expectations for, and of, Aboriginal people, whether relating to education, substance abuse or personal responsibility. In discussions with the Committee, however, critics of the '*Cape York Agenda*' identified its associated Indigenous organisations as forming another layer of bureaucracy within the Cape. It is, they claim, a '*bureaucracy*' which itself appears highly dependant upon government funding, although insisting its Indigenous constituents engage with the '*real economy*'. Moreover, they claim, its initiatives remain untested in terms of producing beneficial outcomes for the people of Cape York.

Whatever final assessment is made, the radical re-thinking of government approaches to addressing Indigenous disadvantage has been significantly shaped by Mr Pearson's contribution to public discourse on these issues. This Report is intended to document something of that contribution and to promote an active and informed consideration of how best to address what is one of Australia's most pressing public policy issues of our time.

¹⁵ Fitzgerald, T, *Cape York Justice Study Report* (Advanced Copy), 2001, Volume 2, p222.

CHAPTER 1 INTRODUCTION

1.1 Background

Mr Noel Pearson and the '*Cape York Agenda*'¹⁶ have exercised remarkable influence over public policy on Indigenous issues in Australia in recent years, in particular in relation to remote Aboriginal communities. As the preliminary stage of its *Inquiry into Successful Initiatives in Remote Aboriginal Communities*, in November 2006, Committee members travelled to meet with Mr Pearson and to visit a number of the Cape York communities to gain an insight, first-hand, into what was occurring there.

The Committee would like to acknowledge the generous assistance of Mr Pearson and the many other individuals and institutions associated with the Cape York initiatives. Introductions, presentations, and transport were arranged for the Committee by Ms Eve Teitzel of Cape York Partnerships. Mr Pearson extended an invitation to the Committee to attend the inaugural Cape York Indigenous Organisations Regional Conference 2006, convened by the Cape York Institute for Policy and Leadership in Cairns on 14 November 2006. Arrangements were made for the Committee to visit the communities of Mossman Gorge and Coen. Committee members had the opportunity to engage in discussions with many of those involved in the practical implementation of the '*Cape York Agenda*' and Cape York community members. Although too many to be named individually, the Committee would especially like to acknowledge the assistance of those listed in Appendix 2, who met with the Committee on a more formal basis.

The assistance and candidness of Mr Pearson, the Conference presenters, and the many others who shared their views formally and informally with the Committee, have invaluable added to this Report. Their practical insights into the '*Cape York Agenda*', presented here, would not otherwise have been available to the Committee.

1.2 This Report

This Report is the second of a series of reports that the Committee intends to publish on its *Inquiry into Successful Initiatives in Remote Aboriginal Communities*. The first, *Where from? Where to? A Discussion Paper on Remote Aboriginal Communities*, tabled on 5 April 2007, provided background on the emergence and current circumstances of remote Aboriginal communities in Western Australia. It was hoped that the discussion paper would contribute to an informed debate on these issues, and public submissions were invited on the contents of the Report, and on particular future policy directions in relation to remote Aboriginal communities. A final report, incorporating the public submissions received, will be published later.

¹⁶ Pearson, N, '*The Cape York Agenda*', Address to the National Press Club, Canberra, 30 November 2005. See also Pearson, N, *Our Right to Take Responsibility*, Noel Pearson & Associates, Cairns, Queensland, 2002, p5.

The Committee hopes that this Report will also contribute to the debate on the policy direction to be taken in relation to remote Aboriginal communities. The Report is essentially a descriptive account based on extracts from publications by Mr Pearson, related Cape York agency websites, and information presented at the inaugural Cape York Indigenous Organisations Regional Conference referred to previously. This material has been supplemented by the Committee's observations and informal discussions during its trip to Cape York and related research materials. The Committee makes no findings in this Report, nor does it make recommendations for action by the Western Australian government.

The remainder of the Report is structured so as to provide background on Mr Pearson and the '*Cape York Agenda*' in Chapter 2. Chapter 3 goes on to outline some of the key initiatives associated with the '*Cape York Agenda*'. However, the '*Agenda*' cannot be fully understood without also appreciating the complex array of organisations, the critical debates surrounding its influence, and the considerable financial commitment of governments and others that has been marshalled to implement Mr Pearson's vision for the Cape. As a result, Chapter 4 provides background on the five '*Cape York Organisations*' currently associated with the implementation of the '*Cape York Agenda*' as well as a number of related organisations. Chapter 5 refers to some of the critical analysis associated with the '*Agenda*', with particular reference to its broader application through Commonwealth policies to Indigenous individuals and communities throughout Australia, and Chapter 6 draws together the published data on the funding which has been made available to implement the '*Agenda*'. Chapter 7 concludes this Report.

CHAPTER 2 MR NOEL PEARSON & THE CAPE YORK AGENDA

We [Aboriginal people] have to be as forthright and unequivocal about our responsibilities as we are about our rights - otherwise our society will fall apart while we are still fighting for our rights.

We do not have a right to passive welfare - indeed, we can no longer accept it. We have a right to a real economy, we have a right to build a real economy.

Mr Noel Pearson, *Our Right to Take Responsibility*¹⁷

2.1 Mr Noel Pearson

The Cape York Institute for Policy and Leadership (also known as the Cape York Institute 'CYI', see Chapter 4.9), is described on its website as '*a public policy organisation that champions reform in Indigenous economic and social policies*'. Mr Noel Pearson is Director and is described as follows:

Noel Pearson was born on the 25 June 1965 in Cooktown, North Queensland. He is the youngest son of Glen Pearson from the Bagaarmugu clan on the upper reaches of the Jeannie River, East Coast, Cape York Peninsula and Ivy Pearson (formerly Baird) from the Guggu Yalanji peoples on the upper reaches of the Bloomfield River, South East coast, Cape York Peninsula.

Pearson attended primary school at the Hope Vale Mission, Cape York, where he lived with his family throughout his early years. As a young boy he was sent to Brisbane to attend St. Peters Lutheran College as a boarder, where he attended until completing his matriculation.

Pearson then enrolled in a history degree at Sydney University, Sydney where he completed a History and Law degree. His History thesis, based on his home community Hope Vale, has been published in "Maps Dreams History", by the History Department of the University of Sydney.

Pearson has been strongly involved in campaigning for the rights of Cape York Aboriginal people and played a pivotal role in the establishment of the Cape York Land Council [Chapter 4.5] in 1990.

¹⁷ Pearson, N, *Our Right to Take Responsibility*, Noel Pearson & Associates, Cairns, Queensland, 2002, 'Central Contentions'.

The Land Council was the first organisation established by Cape York Aboriginal people to work with and fight on behalf of Traditional Owner groups for the return of their homelands. Successful outcomes from this include the return of traditional lands known as Starcke and more recently Silver Plains.

Pearson also worked on both Native Title cases including the historic WIK decision. The resulting High Court decision is recognised as one of the most important Native Title cases in Australian History.

Throughout the past ten years Noel has been involved in many key Indigenous issues including, as a member of the Indigenous Negotiating Team during the drafting of the Native Title Act in 1993.

Pearson also participated in the drafting of the Cape York Heads of Agreement for which he and other Cape York leaders were signatories on behalf of Cape York Aboriginal people. This historic agreement ensured an effective cooperative platform between Indigenous, Conservation, Mining and pastoral interests in Cape York.

Pearson was elected Chairman of the Cape York Land Council from 1996-1997 before resigning. He still acts for the Land Council in an advisory capacity from time to time. Today, he works in a voluntary capacity as a Team Leader with Cape York Partnerships [Chapter 4.8] a project negotiated between the Queensland government and Aboriginal Leaders of Cape York to plan and implement projects centred on a reform agenda for Cape communities.

In 2004 he became the director of the Cape York Institute, a new regional organisation sitting at the nexus of academia, policy formation and community engagement and providing policy oversight for other Cape York oriented organisations.¹⁸

¹⁸

Cape York Institute, Director, Available at: <http://www.cyi.org.au/director.aspx> Accessed on 27 February 2007.

2.2 Cape York

Figure 2.1 Cape York¹⁹



The following background on Cape York is extracted from various websites and reports related to Mr Pearson's initiatives:²⁰

Cape York's lush rainforests, beautiful beaches and harsh dry landscapes have been home to Indigenous people for thousands of years. With the arrival of Europeans in the 1870s, the Indigenous people were forced to live in reserves that were strictly controlled by the Department of Native Affairs. Indigenous people were stripped of their rights. In the 1960s Indigenous people at last won full voting rights and the Government's stance changed from one of control to welfare support.

Like most Indigenous regions throughout the country, Cape York is a geographical region in crisis

- *Median lifespan is 20 years less than non-Indigenous people.*
- *Approximately 80% Indigenous unemployment.*

¹⁹ Cape York Institute for Policy and Leadership, *Annual Report 2004/5*, [2006], p6.

²⁰ Cape York Organisations, *Our History*, Available at: <http://www.capeyork.org/NewFiles/Pages/Hist.html> Accessed on 26 February 2007; Indigenous Enterprise Partnerships, *Cape York*, Available at: <http://www.iep.net.au/capeyork.htm> Accessed on 26 February 2007.

- *High levels of alcohol-related crime, with unacceptable health, education and living conditions.*
- *High levels of youth alienation – petrol sniffing, drugs and alcohol abuse, sexual abuse and crime.*

However, for more than ten years, the Indigenous people of Cape York have been working to turn these problems around. Many local Indigenous people have been instrumental in the battle for a better future. Prominent local leaders include Noel Pearson, Gerhardt Pearson and Richie Ah Mat.

***NOEL PEARSON** was involved in the establishment of the Cape York Land Council in 1990 and the other regional indigenous organisations representing the people of Cape York Peninsula, including Apunipima Cape York Health Council [Chapter 4.6] in 1994 and Balkanu Cape York Development Corporation [Chapter 4.7] in 1996. He chairs the board of the Cape York Partnerships Projects P/L office and is a board member of Indigenous Enterprise Partnerships [Chapter 4.10]. He is now the Director of the Cape York Institute.*

***GERHARDT PEARSON** was appointed as the foundation Executive Director of Balkanu by the Board of Directors in January 1997. Gerhardt is a Bama Bagaarmugu [Bagaarmugu person] of the Guuguwarrra Nation from Kalpowa and Jeanie River area. The Lama Lama refer to his group as the Mbarimakarranma or people from the little Red Flying Fox area. Gerhardt has worked in community administration as a Council Clerk both for Hope Vale and Pomppuraaw communities. He has been actively involved in Cape York politics for many years and has represented Cape York on a state and national level including a six year position as the Aboriginal and Torres Strait Islander (ATSIC) Commissioner for the Far North West Zone [Chapter 4.2]. Gerhardt was a founding member of the Tharpuntoo Legal Service, Cape York Land Council, Apunipima and Balkanu. In 1997 he was the first Indigenous Council Clerk to replace the State Governments Executive Officer based within the fourteen Cape York community councils. During 1998 Gerhardt formed the Aboriginal Council Clerk's Association, representing the fourteen Council Clerks. He also served on numerous committees and Boards in relation to Education, Social Welfare, Northern Development, Training, Housing and Infrastructure.*

***RICHIE AH MAT** has traditional land around the Pennefather River region. His clan are referred to as the Yupangathi group whose lands are within the Napranum and Mapoon DOGITs [Deeds of Grant in Trust]. The area is mostly inhabited by Comalco Pty Ltd and Alcan Pty Ltd mining leases. Richie was actively involved in high level negotiations with both Comalco and Alcan which resulted in the Western Cape York Communities Co-existence Agreement that was formally signed in March 2001 and will see royalties, cultural heritage, Employment and Training and a number of other benefits for the communities of Weipa, Napranum, Aurukun, Mapoon and New Mapoon. Richie has served as Chairperson and later Executive Director of the Cape York Land Council. Richie has also been a board member of the Balkanu Cape York Development Corporation.*

2.3 Cape York Agenda

In late 2005, Mr Pearson delivered an updated version of the ‘Cape York Agenda’ which proposed a ‘New Deal’ on welfare. According to Mr Pearson’s address to the National Press Club:

The end goal of our Cape York Agenda is framed in the language of Nobel Prize winning economist, Amartya Sen.

Sen considers freedom to be the critical measure of individual wellbeing. However, his concept of substantive freedom is not simply about exercise of choice.

He incorporates the consideration that freedom may be constrained by the range of choices available to people. This range of choices is dependent on our capabilities, or the personal and social resources that we can bring to bear on improving our lives.

The end goal of the Cape York Agenda can then be expressed as seeking to ensure that Cape York people have the capabilities to choose a life that they have reason to value.

Importantly, this agenda does not entail making choices for people, but is rather about expanding the range of choices people have available to them.

This framework exposes the failures of the previous policy paradigm. In the 1970’s, it was accepted that Indigenous people in remote areas should be able to choose between a traditionally oriented life or a life integrated with the mainstream.

Policymakers with the best of intentions sought to facilitate this choice, but the only capability they seriously invested in was that of income. The policy of the last 30 years sought to create choice by simply providing income through welfare and quasi welfare systems.

Thus, over the last 30 years, Indigenous people were not supported to develop basic capabilities in important areas such as education, health and employment. Consequently, our people were ill-equipped to take advantage of opportunities in the real economy. The so-called ‘decision’ to remain in their community was therefore made in default of any real choice. Our task today is to ensure that remaining in one’s own community is the result of choosing between real options.

Without education and a whole set of other capabilities, successive generations of young people, at ages where they would ordinarily seek work, were led away from engaging in the real economy by the poisonous disincentives of the welfare system. Traditional skills were eventually traded in for the free stream of welfare, and the communities of Cape York descended into a state of passive dysfunction.

Bureaucrats stepped in to arrest this descent, and effectively propped up communities. In doing so they shifted responsibility away from the people in the communities and towards government. Thus began the vicious cycle of government-community-individual dependence that led to the complete disintegration of indigenous society and culture—the very thing the policies had first sought to protect.

We must develop new policies that release us from this vicious cycle and in doing so we must assert our right to responsibility as much as we do other rights...

In conclusion, our ultimate goal is to ensure that Cape York people have the capabilities to choose a life they have reason to value. It is an agenda of economic and social development that does not entail making choices for people, but is rather about expanding the range of choices people have available to them.

But to make this possible, we must restore social order, attack passive welfare, and reject substance abuse. We must invest in the capabilities of the individuals and the institutions that serve them. We must get the incentives right to ensure economic participation.

With economic development and participation comes empowerment. Economic development is therefore closely linked to self-determination.²¹

A number of the initiatives implemented as part of the 'Cape York Agenda' are described next, in Chapter 3, including initiatives observed and discussed by the Committee during its trip to far north Queensland.

²¹ Pearson, N, *The Cape York Agenda*, Cape York Institute for Policy and Leadership, Cairns, 2005, pp2, 3 and 9.

CHAPTER 3 CAPE YORK INITIATIVES

This chapter examines a number of Cape York initiatives.

3.1 Boys from the Bush/Work Placement Scheme²²

Mr Milton James, the Program Director of the Work Placement Scheme also devised the original Boys from the Bush program, from which the Work Placement Scheme developed. In a *Message Stick* program on the ABC about the Boys from the Bush program in late 2006, Mr James introduced himself as follows:

My name is Milton James and I'm a social worker. I've had 20 years of working for statutory welfare departments but now I'm the director of the Boys From The Bush program. What I've found is that the most effective way to engage young people and to help them with their difficulties is through a social enterprise. You create a real business as a means of engaging young people...

If you look at what's going on at the Cape York you're talking about two, three generations of welfare dependants... And, most of all, these boys that come into the program, their parents, uncles, aunts, sometimes even grandparents, they've got no experience of work - they've got no work skills, they've got no work ethic. They're already disadvantaged by lack of skill, lack of motivation, drugs, alcohol, apathy. So that's why this program puts work very central. Soon as you've packed and got dressed youse [sic] goes off to work with all the rest of these boys. Because we don't just hang around waiting for breakfast because that could take at least an hour. So we get in and do some work before breakfast. So it's important, it's important that they learn how to get up in the mornings and how to work all day in a sustained effort, follow instructions, to accept criticism. These things that they're gonna have to learn if they are to take up mainstream employment.²³

According to its website, the Boys from the Bush program was a regional program offering its services to all Cape York communities and also to Cairns and the Torres Strait. Local Indigenous youths were referred to the program by the local Community Justice Group,²⁴ the Courts, or their families, usually after being caught in offending or self destructive behaviours. Youths could also attend voluntarily as they hear of the benefits of participating in the program. Each community

²² Unless otherwise indicated, information on 'Boys from the Bush' is sourced from the website Boys from the Bush, Available at: <http://www.boysfromthebush.org.au/> Accessed 19 March 2007; and information on the 'Work Placement Scheme' is sourced from the website Cape York Partnerships, Available at: <http://www.capeyorkpartnerships.com/WPS/index.htm> Accessed on 19 March 2007.

²³ Message Stick Television, 'Boys from the Bush', Available at: <http://www.abc.net.au/message/tv/ms/s1765778.htm> Accessed 12 December 2006.

²⁴ Community Justice Group were previously funded by the old Queensland Department of Aboriginal and Torres Strait Islander Policy, and established under the *Community Services (Aborigines) Act 1984* (Qld) to represent the main Indigenous social groups, such as Traditional Owners, historical people and large families, in a community. Amongst other things, the Justice Groups can declare dry places and advise the Community Liquor Licence Board.

program was described as typically including 12-15 youths, male and female, and usually each person would attend the program for 6-12 months. There was an option that if the young person wished they may remain in the program and work towards a supervisory position. The program was developed around a viable commercial enterprise ranging from the harvesting, distillation and sale of eucalyptus and melaleuca oils, fishing or harvesting marine resources or the catching and sale of mud crabs.

Mr James described the theoretical framework for the program in a 2003 publication as follows:

A successful practice developed by the author involves a two stage approach based upon group and learning theories. These theories can help explain how young people are recruited to “sniffing groups” and how their conformity is maintained. Of particular importance are the group leaders. They play a crucial role in the recruitment and maintenance of core members which may be less than 10 people. These leaders may or may not play a significant role in the recruitment of the more transient members which can include up to 50 or more young people.

Stage one of the author’s approach is the identification and removal of these leaders. The removal of these leaders from the community is crucial. This will not only severely weaken the group’s capacity to maintain itself, it will also increase its permeability and openness to new ideas and other activities. Without the removal of the leaders progress is [s]low and difficult. Many communities make the mistake of trying to remove all the “sniffers”. This is unnecessary and unwise.

Stage two is the introduction of other activities. These activities can take many forms. What is important is that the activities are liked by most, if not all, group members. Once the attractiveness of these activities is known, the [community] worker is then in a position to bargain. He can insist on abstinence from sniffing as the prerequisite for the ongoing provision of these activities. The workers should not assume that what is interesting for him will be interesting for others. Many workers have also made the mistake of implementing only stage one and then wonder why the problem re-merges some months later. Consideration must be given to the causes of sniffing.

The strength of this approach is dependent on the complete removal of the group leaders from the community and the degree of interest in other community based activities. These core leaders are placed under the supervision of special carers in other communities where the young people are less susceptible to this behaviour. There they are placed in work, educational and recreational programs, such as the Muri and Opped Youth Camps in the Torres Strait which address the many causes of their sniffing behaviour. Community workers must also remain vigilant to individuals bringing in the habit from other communities where their young people are highly susceptible to this behaviour.²⁵

The website describes the results of the Boys from the Bush program as follows:

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James, M, ‘Petrol Sniffing on the Cape York Peninsula’, on the Boys from the Bush website, Available at: <http://www.boysfromthebush.org.au/PETROLSniffingPaper.DOC> Accessed on 19 March 2007.

Cairns, Mossman and Wangetti 1998 - 2001 Results

This program was introduced to three groups located in the Cairns area in Mossman, Cairns and Wangetti. The effectiveness of this program can be measured in a number of ways. One measure is the incidence of re-offending. The Mossman Police report that none of the young people attending the group have re-offended since its establishment in August 1998. In addition, Mossman Children's Court appearances have been reduced from an average of 7 Children's Court appearances each month to less than one Court appearance each month. These results are indeed remarkable.

Furthermore, group members, parents, Aboriginal Elders and many community service providers have also reported that a number of young people from all three groups have given up smoking tobacco, reduced or ceased their drug and alcohol intake (including petrol and aerosol sniffing), reduced or ceased their suicidal thoughts and behaviour, and reduced or ceased their physical and verbal abuse towards people, including police, teachers and parents. The Cairns and Wangetti group have produced similar results.

Aurukun 2002 Results

The program had been operating in Aurukun for 12 months in 2002 and has made a similar significant impact on that community:

- *The offenders referred to the program have all successfully complied with their reporting requirements and have a very low rate of re-offence of 11%.*
- *Prevention activities have resulted in a dramatically reduced rate of petrol sniffing and youth crime in Aurukun.*
- *Participants have been trained in a variety of social and work skills, expanded their understanding of social and business issues and been able to earn income.*
- *The program has operated within its budget and has demonstrated the cost effectiveness of this approach compared to traditional methods.*

There are no other published results and the only more recent information available on the program on the Boys from the Bush website is a reference to:

a new pilot work project to test whether young indigenous people can be directly integrated into mainstream employment and the non-welfare economy. Milton escorted a group of 16 young Cape York men to the Riverina region to work as contract fruit pickers on farms for periods up to three months. Milton supervised their activities and provided coaching and mentoring assistance as required. The results were very successful with 12 young people staying to work for the full period. This pilot scheme has now been extended to a full scale version.

In the Committee's discussions with Mr James, and others, while visiting the Cape York Institute, Boys from the Bush was described as revolving around Mr James, but as '*having no future*'. Concerns were expressed that the number of problems in communities were like a tsunami that would '*sweep away*' Boys from the Bush. The theoretical framework for the Boys from the Bush program, referred to previously, had been extended so that the young people were taken away to

where there is existing work: *'There is no local work. They have to leave.'* This had become the current Work Placement Scheme and in June 2005 the Commonwealth government, through the Office of Indigenous Policy Coordination (OIPC) and the Department of Employment and Workplace Relations (DEWR), agreed to fund a scheme for eighteen months in which up to 55 new participants would be placed in full time unsubsidised work. It appears to have been funded as an initiative under the Cape York COAG Trial.²⁶

On the Cape York Partnerships website, the Work Placement Scheme is described as follows:

The Work Placement Scheme helps young Indigenous people from remote northern communities willing and able to leave their home and community for work in southern states. The Scheme provides them with mainstream unsubsidised employment, onsite support and supervision, rental accommodation, and transport to and from their place of employment at cost.

The Work Placement Scheme was established by Milton James in April 2005 after a three month trial which confirmed that young Indigenous people from Cape York Peninsula with little or no experience of living away from home, family and community, with little or no work experience (and thus assessed at high risk for long-term unemployment) or dependent on CDEP can still be successfully assisted to take up mainstream private sector employment far [from] their homes and families.

Today young people join the Scheme for at least seven months with the understanding that there will be no exit from productive work and behaving responsibly. To help them achieve this they are provided with group employment well away from the distractions and negative interference of peers and family members and those organisations that deny them their right to take responsibility and promote dependency and passive welfare.

In discussions with the Committee during its visit to Cape York, the Work Placement Scheme was described as being very different to other schemes, such as those where Indigenous youths are sent to remote outstations. For example, with the Work Placement Scheme, the young person's airfares need to be refunded out of the income earned by the young person while participating in the Scheme. The Committee was advised that the success of a placement with the Work Placement Scheme was linked to the Commonwealth Department of Employment and Work Place Relations' Structured Training and Employment Projects (STEP) program payment for a six month placement; and that if the placement was completed successfully the young person's airfare home was paid.

The Work Placement Scheme was described as *'the hardest Scheme in the country'*, and although voluntary, without access to resources the young people were unable to return from the placement to their communities. Distance was a key factor, and young people could be *'Three and a half thousand kilometres from home. They can't get back - the difficulty in remaining is lesser'*. The Committee was also advised, however, that there was a *'safety net'* for young people participating in the Work Placement Scheme, but that this was *'subtle'*. Work was also seen as a powerful

²⁶ Urbis Keys Young, *Review of the Cape York COAG Trial Final Report*, 2006, p24.

institution to correct other social problems including offending behaviour, sniffing, suicide; *'It provides structure and self esteem'*.

The Committee was advised that the approach which informed the Work Placement Scheme was one which accepts that changing communities will take a long time. Individuals were regarded as subject to rapid change. However, this was only seen as possible outside of their communities. While it was accepted that the approach raised concerns that it paralleled earlier interventions, such as the Stolen Generations, Mr James had taken decades to address these concerns prior to implementation of the Work Placement Scheme.

Aspects of the Work Placement Scheme were also seen to conflict with the welfare approach. It was accepted that the Scheme was not a *'comfortable'* one with 15 year olds, for example, having to look after themselves, and it was acknowledged that there had been opposition to the Scheme by families, councils, and other services. However, the Committee was told *'the young people [in the Scheme] are put beyond their reach by going a long way away. They are without rescue.'* Older and urban participants in the Scheme were seen as less likely to successfully complete the placement because they were *'resourceful'* and, for example, *'The urban kids understand the services which will rescue them'*.

The underlying impetus for the Scheme was elaborated further in an article by Mr Noel Pearson in *The Weekend Australian* on 25-26 November 2006.²⁷ It highlights Mr Pearson's view that the problems of welfare dependency are not simply a problem for welfare clients, but are in large part a result of *'passive welfare delivery by government agencies'*. The article refers to a case report by Mr James which he describes *'as an example of how the approach used by many welfare workers on Cape York Peninsula has skewed the world view of young people'*.

The article refers to an 18 year old from Cape York participating in the Scheme in Victoria, who had been ordered out of the caravan park where he was residing after going *'on a rampage'*, but who continued to be entitled to participate in the Scheme. According to Mr James:

readers need to understand that this young person is well acquainted with the administrators of the welfare service industry: social workers, child protection workers and the like. The young man now fancies himself as a master at manipulating these people, an art form that I call 'dancing the welfare worker'; others call it being street-wise. "My first comment to this young man was: 'Now that you say you're leaving and you say that all the arrangements have been made, the only thing I need to know from you is when are you leaving?' "With a flick of his head and a smack of his lips, he replied: 'When are you gonna send me home?' "I answered: 'I'm not going to send you home: you know the rules. Besides, your father is organising for you to go home.'...

'Well, I will go and live on the streets.' Not wishing to buy into this one, I replied: 'Your plans are your business, mate.' This young man now moved to play the blame game. He said: 'If I go and live on the streets and something happens to me, you're the one that's gonna get into trouble, you're the one who is responsible.' I replied: 'Look, you said your

²⁷ Pearson, N, 'Skewed world view', *The Weekend Australian*, 25-26 November 2006, p29.

father has arranged everything. If you're now saying you've got some other plan, that's your business. It's got nothing to do with me.'...

After explaining to a Victorian Aboriginal organisation and a Queensland 'welfare bureaucrat' that the young man had the option of remaining with the Scheme and earning his airfare home, Mr James' report continues:

The welfare bureaucrat contacted me again saying ...'There are cultural factors that prohibit [the young man] from making contact with you.' At first he was not forthcoming on what exactly he meant by this. After my insistence, he said the young man was a remote area Aboriginal and didn't have the ability to find the work group supervisor's name and number and telephone him [to obtain assistance to arrange new accommodation]. I told him this was claptrap.

'I said the only issue here was the young man's refusal to take responsibility for his actions; it had nothing to do with culture.

'I put it to the bureaucrat that to try to suggest that the young man's culture prevents him from contacting us is to have a very low opinion of Aboriginal culture:

'Since when is not being able to carry out a simple task a cultural matter? Since when is refusal to take responsibility for one's own actions a cultural matter, and therefore warranting some sort of exemption? '

I said: 'To me, this sounds very much like a racist comment, to have such a low opinion of Aboriginal people's ability to carry out the simplest of tasks.'...

James concludes: 'This is a good example of what I am talking about when I say that the welfare approach is about rescuing people from competition and from taking responsibility for their own actions: to patronise and infantilise Aboriginal people. '

The Work Placement Scheme's outcomes were described as very successful in discussions with the Committee, and these outcomes have also been highlighted in a presentation by Ms Tania Major at the Vocational Learning - Enterprise - Transitions (VET) Network Australia National Biennial Conference in October 2006.²⁸ Ms Major reported that of the 84 participants in the Scheme, 21 had successfully completed 6 months in full-time unsubsidised employment; however, all seven female participants left within eight weeks of commencing, and participants from remote communities fared better than those from urban areas. The age of participants also appeared to be a significant factor, with younger participants more likely to remain in the Scheme.

²⁸ Major, T, 'Balancing Tradition in the 21st Century: Increasing Youth Mobility in Remote Cape York Communities through a Work Placement Scheme', (Cape York Institute for Policy and Leadership presentation to VET conference), presentation at the 'Exploring Transitions and Opportunities: A Topical Conference', Cairns Convention Centre, Cairns, Queensland, 11 - 13 October 2006.

3.2 Family Income Management

The history of the Family Income Management project is described as follows on the Cape York Partnerships website:

FIM came about following several years of discussion and development by Cape York people. It is one of a number of linked initiatives being undertaken in the Cape to address the critical needs and issues facing the people of Cape York.

The Federal government first became interested in the concept of Family Income Management following the publication by Mr Noel Pearson of 'Our Right to Take Responsibility'. This book describes the harmful effects passive welfare dependency is having on our people, and the urgency of breaking the welfare cycle and engaging in the real economy, working in real jobs for real money.

The government's response to this book was to begin new relationships between the government and the Indigenous people of Cape York as equal partners in a process now known as Cape York Partnerships. Features of the new Partnership relationship are a sharing of responsibility and accountability for results and process; agreeing on programs and actions through negotiations between government and Indigenous people as partners in Negotiation Tables, and the commitment of all parties to sustained action with a common direction supported by co-ordination, co-operation and a common purpose.

FIMS is a money management system specially designed to meet the particular needs of Indigenous families seeking to manage their incomes to achieve their goals. FIM offers an alternative practical solution to the barriers experienced by many Indigenous people in accessing mainstream financial and banking services. The FIM service reflects the learnings gained from the experiences of the people in the communities of Aurukun, Coen and Mossman Gorge, the Cape York communities which first trailed FIM from June 2002 to July 2004. The project has since expanded to Hopevale, Cooktown and Weipa, which takes in Napranum and Mapoon. From 2002 FIM was funded by the Commonwealth Department of Family and Community Services. FIM has been supported from the outset by the Westpac Banking Corporation through their secondee program which commenced in November 2001 under the Indigenous Enterprise Partnerships (IEP) program. A key feature of FIM has been working intensively with families and households to develop a household budget, commence direct deductions of each individual's contributions to household bills, food buying accounts, personal and group savings accounts.²⁹

The FIM initiative appeared to the Committee to have been particularly successful in assisting Aboriginal people in Cape York to manage their income and to access banking services. It is described in detail in a separate report which the Committee intends to publish as part of its series on the current Inquiry.

²⁹ Cape York Partnerships, Family Income Management, Available at: <http://www.capeyorkpartnerships.com/FIM/history.htm> Accessed on 19 March 2007.

3.3 Pride of Place

The Cape York Partnerships website describes the Pride of Place project as follows:

Cape York Partnerships has commenced (or is looking to commence) a series of projects in some Cape York Communities under the banner of “Pride of Place”. Although the projects are tailored to the individual needs of the respective communities, the underlying theme is to build community spirit through changing the physical environment. Pride of Place aims to alter the environment/society in a positive way and have this influence the behaviour of the individuals. Cape York Partnerships has commenced work on Pride of Place – Mossman Gorge and Pride of Place – Aurukun and will look at more sites as it works with other Cape York Communities.

As individuals, we tend to characterise our strengths, our emotional intelligence and our values through the society in which we live. Even though individuals are unique in their personality, the natural tendency to conform and mirror those we associate with is strong. Fitting in, regardless of whether it is detrimental to us, and those we care for, is a powerful force and conforming makes it easier to function within our own immediate environment. Only the strongest individuals continue to function positively if the society they are part of is dysfunctional.

The environment itself also has a material impact on the health and happiness of its inhabitants. These impacts can be physical – cleanliness can prevent disease but there are also the impacts on people’s psyche – it is natural for people to enjoy pleasant surroundings and they are more able to relax and function in a positive way.

“Pride of Place” projects concentrate on the positive aspects of society and promote these characteristics to instil an ethos of identifying and building momentum, with a view to diminish dysfunctional behaviour inherent within the Community. This project uses community renewal/community beautification as a means to achieve behavioural change. The behaviour and outlook of people is directly effected by their immediate environment, it therefore follows that if that environment resembles a ghetto, people will behave as if they live in a ghetto, and likewise if the immediate environment is clean and neat and beautified, people’s behaviour responds in a positive way.

The underlying themes of the project focus on mutual obligations in both funding and in participation between the Council and the Communities. It promotes (or rewards) those who are willing to participate and will bring their positive contributions to the forefront.³⁰

3.4 Computer Culture/Every Child is Special

The Every Child is Special Project developed from an earlier Cape York Partnership’s Computer Culture project. Although no reference to the Computer Culture project remains on the Cape York

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Cape York Partnerships, Pride of Place, Available at:
<http://www.capeyorkpartnerships.com/pop/popindex.htm> Accessed on 19 March 2007.

Partnership's website, the Glencoe Foundation which supported the Computer Culture project through Indigenous Enterprise Partnerships, states:

In Coen, Cape York, today's technology is preserving the Indigenous past.

The computer culture project is helping to make children's education the town's number one priority. The programme is supplementing the oral transmission of culture, and highlights the connection between education and cultural survival.

Computer Culture project trains students to record their elders' stories and culture onto websites, CDs and digital videos.³¹

Computer Culture is listed on the BAMA ISX³² (the Indigenous Stock exchange) and quotes Mr Pearson as stating that the project 'creates a model of how to engage families in a cultural transmission project so that they begin to take responsibility for school attendance, children being 'school ready', behaviour management, children's learning development, financial support for children's education'. It states that 2004 will be the first full year of operation of the project, and that it starts from the premise that 'every child is special and capable of achieving the greatest level of achievement'. The project appears to have been listed on the stock exchange on the basis that:

There could be opportunities for private capital to help with the research and development of cultural products that have a market value and that are approved by the community.

The Computer Culture project was later reported as being launched in June 2005 and was seen as a way to ensure community involvement in children's education:

A dozen languages are on the brink of extinction in Cape York and the community fears its culture is not being handed down to younger generations. Pearson has harnessed this concern into an engagement with the school, using culture as a hook to push issues with parents such as school attendance and readiness for school.³³

Currently, however, the project listed on the Cape York Partnerships website is 'Every Child is Special' (ECIS). Replacing the extensive materials previously available on Computer Culture, the project is described briefly as follows:

The Every Child Is Special project adopts a family and community development approach to reforming indigenous education by building family and community demand for higher expectation teaching and learning. This is achieved by engaging families in cultural transmission and education activities that support their children's learning. The project aims to build the capacity of parents and education leaders to take active responsibility for

³¹ Glencoe Foundation, Available at: <http://www.glencoe.foundation.org/cape.htm> Accessed on 19 March 2007.

³² Indigenous Stock Exchange: Enterprises - Computer Culture, Available at: http://www.isx.org.au/projects/1082500291_3850.html Accessed on 19 March 2007.

³³ Devine, M, 'Cape crusader shows how to empower', *Sydney Morning Herald*, 17 November 2005, p11.

education by providing training and employment opportunities and facilitating local involvement in education decision making.

*The ultimate enduring value of this project will be its contribution to improving the life expectancy of Indigenous peoples in Cape York. Improving children's education outcomes will enable them to achieve their full potential, talent and creativity and have the confidence and capacity for hard work and personal responsibility so that they can orbit between two worlds and enjoy the best of both.*³⁴

In October 2006, it was reported by Ms Kirsten Storry of the Centre for Independent Studies that the '*re-branded Every Child is Special project [was] being piloted at Coen ... [and] has a strong case management focus with a vision to achieve long term behavioural change*'.³⁵

At the Cape York Indigenous Organisations Regional Conference in November 2006, presenters stated that the project did not have clear priorities in the early days. Changes had to be implemented as there were tensions in the relationships around the project. The trial remained at Coen, and was run in a partnership between the Coen Regional Aboriginal Corporation, Education Queensland and Cape York Partnerships. There were now good resource people and good external partners such as Westpac and Multilit.

The MultiLit (Making Up Lost Time In Literacy) program, developed through the Macquarie University Special Education Centre, discounts the need for '*literacy programs specifically for aboriginal[sic] students*'.³⁶ In a newspaper article in November 2005, reporting the success of an initial 17 week trial in Coen, the MultiLit program was described as '*an intensive, systemic instruction in phonics, word skills, sight words and peer tutoring*'.³⁷ When the success of the MultiLit pilot was announced at a Cape York Institute Seminar in September 2006, its developers outlined the gains made by students over two consecutive intakes of 17 and 18 weeks of three hours instruction daily respectively. These showed an improvement from an average of 39 months behind in reading accuracy and 45 months behind in reading comprehension, to 30 months behind in reading and '*no further behind in reading comprehension*'.³⁸

At the Cape York Indigenous Organisations Regional Conference, the Every Child is Special project was described as having a supply and demand approach to education and to service delivery in dysfunctional communities more broadly. The '*supply*' is from Education Queensland;

³⁴ Cape York Partnerships, 'Every Child is Special', Available at: <http://www.capeyorkpartnerships.com/computerculture/index.htm> Accessed on 20 March 2007.

³⁵ Storry, K, 'Sticks and carrots good for a start', *Courier Mail*, 19 October 2006, p31.

³⁶ Wheldall, K & Beaman, R, 'A Year of MultiLit in Coen', presentation at the Seminar 'Demanding Better Supply of Education in Cape York: the Coen Experience', Cape York Institute for Policy and Literacy, Cairns, 22 September 2006.

³⁷ Devine, M, 'Cape crusader shows how to empower', *Sydney Morning Herald*, 17 November 2005, p11.

³⁸ Wheldall, K & Beaman, R, 'A Year of MultiLit in Coen', presentation at the Seminar 'Demanding Better Supply of Education in Cape York: the Coen Experience', Cape York Institute for Policy and Literacy, Cairns, 22 September 2006.

and the ‘demand’ needs to be from parents demanding the best system for their children. ECIS was also seen as developing ‘synergies’ with other Cape York Agenda reforms:

- *Welfare Reform:* ECIS focuses on the expectations of families, school attendance and readiness programs, and case management is now in place where these expectations are not being fulfilled ‘100 per cent’. It was reported that there will be a reliance on Welfare Reform, the ‘harnessing of government support’ via welfare payments, to achieve these outcomes.
- *FIM:* Financial management was seen as significant in that the school sets expectations and families want to meet these. The problem was identified as being that schools have not been setting exceptions on families; schools will obtain a grant instead of the families providing funds which could be set aside for these purposes through the FIM budget package.
- *Cultural transmission:* Presenters indicated that there had been a shift in focus from the transmission of culture, which had been central to the project presumably when it had operated as Computer Culture. Although it was indicated at the Conference that there was some uncertainty around the role of education in cultural transmission, recent comments by Mr Pearson indicate that there should be none:

*there must be a separate domain within indigenous communities for education from the Western education domain. Schools are not the places for cultural and linguistic transmission ... This is because the primary purpose of schools is for our children to obtain a mainstream, Western education.*³⁹

- *Higher Expectations Program:*⁴⁰ This program is to assist those students at ‘the top of the pyramid - the elite group’. It ensures access to the best scholarship opportunities and schools, provided parents commit to paying half the fees.

³⁹ Pearson, N, ‘Native tongues imperilled’, *The Weekend Australian*, 10-11 March 2007, p28.

⁴⁰ The Higher Expectations Program is described on the Cape York Institute’s website as follows:

The Higher Expectations Program (HEP), identifies academically talented youth from Cape York and sponsors them to attend one of six ‘partner’ boarding schools in Queensland. The program is sponsored by Macquarie Bank Foundation and covers tuition and boarding fees as well as individual support strategies for each student on the program.

The support strategy includes use of tutors, mentors, role-models, weekend home stay families and counsellors who are mostly indigenous. HEP has agreements with partner schools which support CYI and HEP goals for tertiary futures. The program also makes available cultural awareness sessions with partner boarding schools and with all staff (school and casual HEP), in direct contact with Indigenous students. This helps alleviate the culture shock and transitioning issues that occur with youth who are used to small and remote community life and extended family involvement.

HEP is the brainchild of Indigenous leader Noel Pearson and a response to the lack of academically qualified indigenous youth in Cape York remote communities. The program aims to provide high quality mainstream education to the next generation of leaders in Cape York (Available at: <http://www.cyi.org.au/hep.aspx> Accessed on 20 March 2007).

In discussions with community members in Cape York, some concerns were expressed about ‘top down’ imposition of programs on communities and the view was expressed that the Computer Culture project had failed for this reason. Others, including State government employees, believed that Mr Pearson was a visionary but could not operationalise his ideas because he was let down by those around him who were supposed to implement his schemes. The view was also expressed that even if specific projects such as ECIS in Coen were problematic in their implementation, Mr Pearson’s contribution was enormous, having changed the education agenda to one of high expectations, making it no longer acceptable for Indigenous students to aspire to different and lower outcomes, or to be assessed differently to others. The view was expressed that although the implementation of Mr Pearson’s agenda in Coen remained problematic, additional State education resources were being allocated to Coen, in excess of those that could be justified by the size of that community, and were likely to continue to expand.

3.5 Welfare Reform

The Cape York Institute is the lead agency for the Welfare Reform project. Its website describes the project as follows:

The Cape York Institute for Policy and Leadership believes that maximum participation in economic life is essential to overcoming disadvantage. This not only means participation in real jobs, but interaction with a range of private markets and social institutions which are the norm in mainstream society.

Far from participating in a real economy, people in Cape York have been almost completely dependent on passive welfare for over three decades. By removing the incentive to work, passive welfare delivery has embedded dependency, effectively sapping people of motivation and eroding personal responsibility.

The social decline of a community as the result of the delivery of long-term passive welfare is not an exclusively Indigenous problem. Any group of people, when placed in such circumstances for three decades or more, is likely to develop similar social dysfunctions to those endured by the people of Cape York today.

Challenging the concept of passive welfare, as well as tackling its effects are central to the policy and program work of the Cape York Institute. Our Welfare Reform project is critical to these efforts, but all our projects are nonetheless linked to and guided by the objective of reducing passivity and increasing participation in the real economy.

CURRENT WORK

In mid-2006, the Cape York Institute launched its Welfare Reform Project, which is our largest policy project to date. In accordance with the Cape York Agenda, the project has two core aims:

- 1. To build incentives to promote engagement in the real economy and reduce passivity; and*
- 2. To rebuild social norms, particularly in relation to children.*

*The project team is working with four Cape York communities – Coen, Aurukun, Hopevale and Mossman Gorge – to design a ‘New Deal for Welfare’ aimed at tackling passive welfare and its effects. The tailored reform package, negotiated with the communities, will combine rational incentives and obligations around welfare payments as well as on-the-ground support for change. Community members will work with the project team to articulate community needs and aspirations.*⁴¹

(a) The vision

In October 2006, the Cape York Institute and Cape York Partnerships announced the official launch of ‘*the community engagement stage of the multi-million dollar reform project*’.⁴² The project was described in *The Age* as follows:

Pearson’s vision, 20 years in the making, underpins a radical experiment that began last week in Coen, Hope Vale and two other Cape York communities - Aurukun and Mossman Gorge - turning 30 years of welfare orthodoxy on its head. The pilot project, run by the Cape York Institute, will redefine access to welfare, paying incentives for behaviour that improves education, health and the prospects of the next generation finding work. But with money will come obligation. Under the project template, a families commission in each community - a panel of perhaps two elders and a retired magistrate - will be empowered to make orders that dictate and direct payments, using sticks and carrots to require, for example, that children not only get to school, but are rested and fed and capable of learning. If a parent is drinking the family income, payments could be redirected to another relative. If they’re not caring for the kids, they might be sent for counselling.

*Pearson rests his reform agenda on the rebuilding of social norms - the invisible conventions that guide and moderate individual behaviour. Manners and grooming, standards and expectations, rules of behaviour. The challenge, and the controversy, is in leveraging such behaviours against the welfare stream. Such coercion under existing law would be illegal. Over the next year, Pearson will head to Canberra to argue that such discrimination is not only desirable but crucial. In the meantime, work proceeds on the ground - talking to communities, determining what the problems are and what mechanisms might fix them - with a plan to roll out the changes from March [2007].*⁴³

At the Cape York Indigenous Organisations Regional Conference in November 2006, Mr Pearson spoke of Welfare Reform as being about more than welfare payments, defining it as ‘*a transition to economic development and participation*’. There were a full range of issues that needed to be addressed for Indigenous people to develop economically - health, education, justice, law and order, land reform. It was important, Mr Pearson said, that welfare reform was recognised as part of a comprehensive agenda.

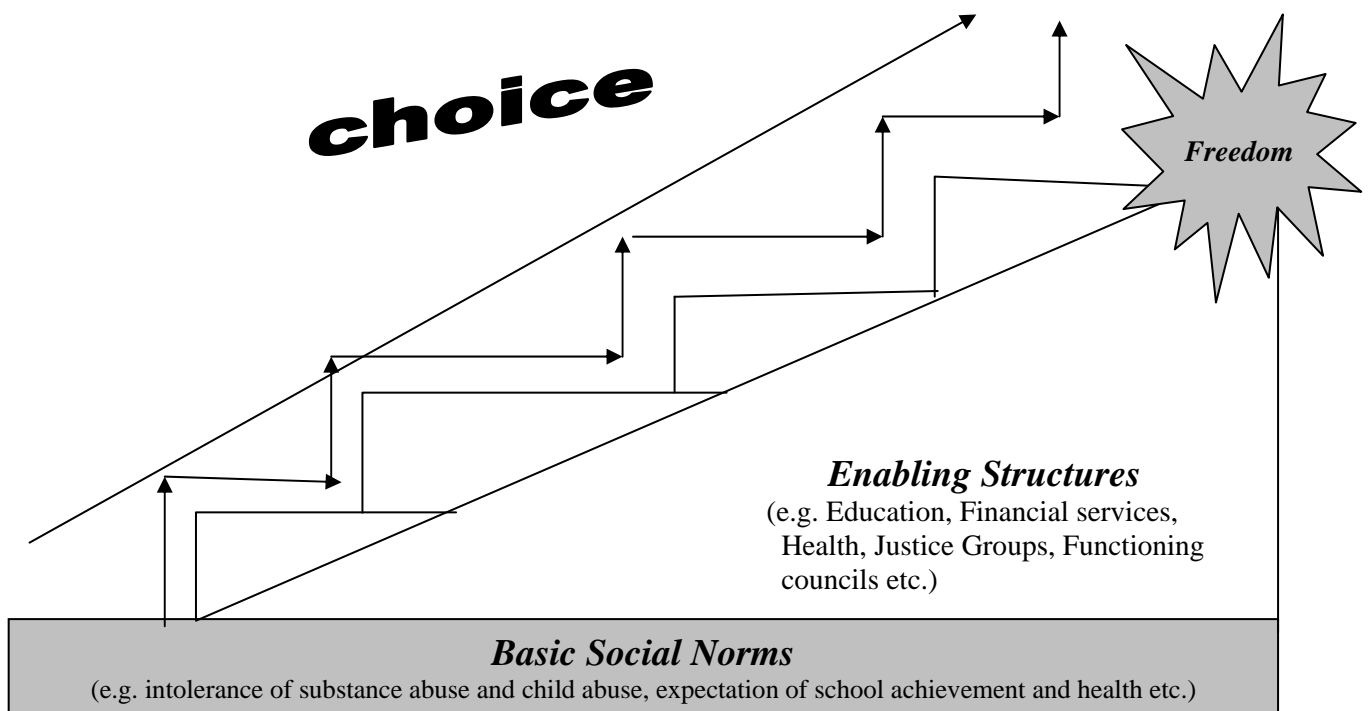
⁴¹ Cape York Institute, Welfare Reform, Available at: <http://www.cyi.org.au/welfarereform.aspx> Accessed on 20 March 2007.

⁴² Cape York Institute for Policy and Leadership, *Press Release: Welfare Reform Project kicks off community engagement*, 12 October 2006.

⁴³ Chandler, J, ‘Pearson’s Revolution’, *Insight magazine in The Age*, 28 October 2006, p1.

Mr Pearson highlighted that currently only a small percentage of Indigenous people participated in the 'real economy'; a much bigger proportion was permanently disengaged - a legacy of dysfunction and the policies of the past. The largest proportion, according to Mr Pearson, were 'behaviourally disengaged', perhaps jaundiced, and the historic lack of opportunities for Indigenous people was also important. Mr Pearson described Welfare Reform as 'a transition to where they want to get to' for these people.

Figure 3.1 'The stairway of opportunity'⁴⁴



This is an agenda to rebuild the basic social and economic fabric of Cape York

Mr Pearson emphasised that economic development will happen when people are participating, but that this will not necessarily take place in their communities and homelands. 'Orbits', with Cape York children and adults travelling from their homelands for the purposes of education or work, would see a significant number of Cape York people living outside of Cape York, with the

⁴⁴ This figure is similar to the one presented at the Cape York Indigenous Organisations Conference by Mr Pearson. The figure depicted is based on the diagram published in Major, T, 'Balancing Tradition in the 21st Century: Increasing Youth Mobility in Remote Cape York Communities through a Work Placement Scheme', (Cape York Institute for Policy and Leadership presentation to VET conference), presentation at the 'Exploring Transitions and Opportunities: A Topical Conference', Cairns Convention Centre, Cairns, Queensland, 11-13 October 2006.

'diaspora' community significantly in Cairns (70 to 80 per cent), plus 30 per cent in Sydney, New York and elsewhere. Mr Pearson stated that he could see no scenario where development takes place in communities; '*viability requires mobility*'. At the local community level Mr Pearson believed that development could not be viable.

Using the metaphor of a staircase (see Figure 2), Mr Pearson also highlighted the inequality of the existing system, with only those up the top of the stairway having opportunities. To advance up the stairway, there had to be a foundation of norms; to be equipped to succeed in the world Indigenous people needed to be anti-drugs and anti-abuse. Mr Pearson stated that in the past, Hope Vale was strong on norms but there was no health, education or infrastructure, what he referred to as the '*enabling structures*'. Mr Pearson said that norms in Indigenous communities are in disrepair at a time when opportunity has opened up.

The proposed '*Welfare Reform*' would give opportunities to rebuild norms by developing a completely conditional welfare system in which parenting was crucial. In the end, the latitude for children in Indigenous communities had been tragic; wide choices in formative years have led to a lack of choices later. With education, obedience and so on, the world opens up when children are older. Delayed gratification and greater diligence around education is required.

Mr Pearson indicated that the metaphor also tells us that stairs can only be climbed by individuals, not by all people. Communism collapsed. The stairway is for individuals and families to climb.

Mr Pearson also highlighted how incentives need to be right to progress up the stairway. Mr Pearson said that welfare had led to a trap; forming a '*pedestal*' at the bottom of the stairway that acted as a disincentive. The level of welfare support compared to training wages was a disincentive which prohibits later gains. Mr Pearson said his analysis of incentives was strongly resonant with liberal market theory; the '*prices*' higher up could not be influenced by the Cape York Project, those prices being market determined: '*We can control welfare though*'.

Mr Pearson described his agenda for Cape York as '*schizophrenic*' in the sense it had an emphasis on the conservative issues of social norms, behaviour, obligation and responsibility. However, it also focused on social infrastructure, and like the social democrats, sought government investment and recognition of the importance of redistribution.

In conclusion, Mr Pearson stated that the mindset of Indigenous people needed to change - it is not about holding hands and climbing together: '*There is no forklift*'. Indigenous people needed to abandon communitarian belief:

It does not work like that. The world works on the basis of mother, children and fathers. The chairman cannot lift a whole community. There is no other pathway for us - no Indigenous way - it is just how the world works.

Indigenous people needed to break out of the ideas of communal movement or that leaders can 'lift us up'.⁴⁵

(b) Implementation

At the time of the Committee's trip, Welfare Reform was being 'trialled' in the Cape York communities of Hope Vale, Aurukun, Coen and Mossman Gorge. During informal discussions with the Committee about the implementation of Welfare Reform, one of the issues discussed was the process by which communities agreed to participate in these trials. In explaining this process, Cape York Partnerships personnel indicated that they drew heavily upon their earlier experiences in seeking to implement Alcohol Management Plans (AMPs) in Cape York.⁴⁶

In the DOGIT communities,⁴⁷ such as Aurukun and Hope Vale, there are Aboriginal councils with legislative authority to establish arrangements for their communities such as the Community Justice Groups⁴⁸ which were instrumental in establishing AMPs. However, even in those communities where the legal framework enabled the implementation of AMPs, there had been problems with community pressures to lift alcohol restrictions and to subvert bans.⁴⁹ This was seen to be the result of the communities' failure to internalise norms associated with condemning alcohol abuse. Committee members were advised that the implementation of 'dry communities' occurred in the absence of any treatment or support programs, and, although it appears that

⁴⁵ Also see Mr Pearson's articles, 'Stuck on the welfare pedestal', *The Weekend Australian*, 10-11 February 2007, p28; 'When welfare is a curse', *Opinion magazine in The Age*, 23 April 2004, p13.

⁴⁶ Alcohol management plans (AMPs) are developed by Community Justice Groups for relevant Queensland communities. An alcohol management plan contains recommendations about how to reduce alcohol-related crime and violence in the community, and may include the declaration of 'dry' (no alcohol allowed) places. State and community police will be able to enforce the dry place declarations.

⁴⁷ The form of land grant to Aboriginal communities in Queensland established in 1984, it is a system of community level land trusts, for ownership and administration of former reserves under a special form of title. Each trust area became a local government area. Incorporated Aboriginal Councils, which elected representatives every three years, managed the community's affairs. (State Library Queensland, 'Footprints before me', Available at: <http://publib.slq.qld.gov.au/footprints/communities/dogit.htm> Accessed on 27 March 2007.) In 2004, changes were made DOGIT Councils, other than those in the Torres Strait, to bring them under the *Local Government Act 2004* (Qld), while special provisions also recognised the particular needs and circumstances of these councils and communities. (Queensland Government Department of Local Government, Planning, Sport and Recreation, *Torres Strait Community Government Review Green Paper*, 2005, p14.)

⁴⁸ Community Justice Group were previously funded by the old Queensland Department of Aboriginal and Torres Strait Islander Policy, and established under the *Community Services (Aborigines) Act 1984* (Qld) to represent the main Indigenous social groups, such as Traditional Owners, historical people and large families, in a community. Amongst other things, the Justice Groups can declare dry places and advise the Community Liquor Licence Board.

⁴⁹ See ABC News Online, 'Govt to ease Cape York alcohol restrictions', 14 November 2006, Available at: <http://www.abc.net.au/news/newsitems/200611/s1787979.htm>; 'Pitt defends Indigenous alcohol plans', 21 November 2006, Available at: <http://www.abc.net.au/news/newsitems/200611/s1793326.htm>.

prohibition and abstention have long been the cornerstones of the strategy,⁵⁰ it was explained that the implementation of 'dry communities' was originally envisaged as occurring under a 'five-point plan' developed to address this problem thorough the *Cape York Justice Study Report*.⁵¹ In the end, however, often all that was put into place was the attempt to block the supply of, but not the demand for, alcohol. This led Cape York Partnerships to focus on altering community norms when seeking to implement reform.

Further complicating the implementation of initiatives associated with the 'Cape York Agenda', however, was the legal status of other Aboriginal communities in Cape York such as Coen and Mossman Gorge. These communities do not have the separately constituted local governments associated with DOGIT communities, and both are part of larger, 'mainstream' shires. As a result implementation of initiatives such as AMPs in these communities is even more problematic because any AMP would apply to the whole shire, including non-Indigenous towns and communities.

The absence of any clear legal status for Aboriginal councils to commit community members to many of the initiatives proposed through the 'Cape York Agenda', especially those councils which do not represent DOGIT communities, would appear to create particular difficulties for the trial and implementation of Welfare Reform. It was made clear in discussions with the Committee that the effectiveness of Welfare Reform was seen as being dependant upon it being mandatory. The Committee was told that Welfare Reform was designed to ensure people did 'the right thing'; with enforced consequences if they did not. Obligations were to be enforced through 'families commissions', representing the community, so that poor school attendances or Alcohol Management Plan breaches could be dealt with by an order for monies to be allocated for specific purposes, or for individuals to engage in programs.

Using the example of the existing Family Income Management project, which was voluntary, it was highlighted how the opportunity to participate had been taken up by 'functioning' people, with outstanding outcomes. However, as a voluntary program the take-up varied, and those who needed it most often 'did not take any responsibility'. The ultimate goal of Welfare Reform was to rebuild the social fabric of these communities by instilling 'basic social norms', and it was proposed that this would take place whether individuals wished to voluntarily participate or not. The Committee was advised that changing welfare payments from a 'safety net' to 'tied grants' which were conditional, for example, on accessing State support services such as counselling, was being investigated at Commonwealth Government level with a view to passing enabling legislation so that local arrangements can be made.⁵²

⁵⁰ Australian Story, 'The Cape Crusader', (Transcript) 11 November 2002, Available at: <http://abc.net.au/austory/transcripts/pearons.htm> Accessed on 12 December 2006.

⁵¹ Fitzgerald, T, *Cape York Justice Study Report* (Advanced Copy), 2001, Volume 2, pp81-83. The broad areas for addressing alcohol and related issues identified in the Report were: Control of supply; Demand reduction, including population-based awareness raising strategies; Harm reduction; Early intervention and screening; and Treatment. The *Cape York Justice Study Report* is discussed in more detail in Chapter 6.2.

⁵² The risk inherent in relying upon government intervention to implement the change in 'norms' advocated by Mr Pearson is examined further in Chapter 5.

Some feedback from Cape York communities on the implementation of the Welfare Reform initiatives was that it provided an intervention which may prevent the removal of children. This was important because it was felt that the relevant State agency would intervene and remove children for little reason in Indigenous communities. Children were removed and taken miles away, not necessarily with Indigenous families. The capacity for community intervention before someone lost their children was seen as a positive.

In other discussions with the Committee, however, it was emphasised that the hardest work is engaging with communities - the task of Cape York Partnerships in the implementation of Welfare Reform. There was a recognition that communities needed to '*own the problem and agree to do something about it*' if it was to be successful and it was felt that this had not been done adequately in relation to the implementation of '*Cape York Agenda*' initiatives in the past. However, it was felt that this had improved with the '*community consultation*' phase of the Welfare Reform project. Others, however, expressed concern that in spite of the consultation, there remained a lack of organisational reflection and openness to consideration of critiques and debate about the initiatives being implemented as part of the '*Cape York Agenda*'.

(c) The Hope Vale agreement

On 11 May 2007, the Commonwealth Minister for Indigenous Affairs and Mr Pearson launched what Mr Pearson has described as '*the first stage of welfare reform*' in Hope Vale.⁵³ A framework agreement, signed by the Minister, the Hope Vale Aboriginal Shire Council and the Cape York Institute for Policy and Leadership, was reported as providing the Hope Vale community with an additional \$15 million, housing improvements and low interest loans for families to buy their own homes.⁵⁴ The Minister advised in a press release that as part of the agreement, the Council had purchased freehold land, known as '*Millers Block*', adjacent to the town which the Commonwealth would develop and service for purchase by families through low cost loans. It is of note that, because of the communal nature of land title in DOGIT communities, the option of private home ownership is not generally available to community members.

It was envisaged that families who wanted to purchase their own home in Hope Vale could enter into agreements which mandated participation in both Family Income Management and a Pride of Place program, requiring them to allocate funds for rent, food and children's schooling, and to

⁵³ Pearson, N, 'Reciprocity resurrected', *Weekend Australian*, 12-13 May 2007, p28. Although other shared responsibility agreements with Hope Vale are posted on the Commonwealth website, this agreement was not available and details have been drawn from media reports and press releases (Australian Government, SRAs and RPAs Website, Available at: <http://www.indigenous.gov.au/sra.html> Accessed on 11 June 2007. The website has three Shared Responsibility Agreements with the Hope Vale community including one concerning an Arts/Interpretive Centre signed on 30 May 2007).

⁵⁴ ABC Online, 'AM - Pearson praises Hope Vale plan', 12 May 2007, Available at: <http://www.abc.net.au/am/content/2007/s1921245.htm> Accessed on 14 May 2007; ABC News Online, 'Hope Vale to sign welfare payments deal', 11 May 2007, Available at: <http://www.abc.net.au/news/newsitem/200705/s1920114.htm> Accessed on 11 May 2007.

maintain and improve their current rental properties.⁵⁵ The Minister explained that while no-one was forced to enter into these agreements, if they chose to do so, the agreements would be binding, require the payment of market rent, and operate on the basis of housing tenancy agreements.⁵⁶ Being tenancy agreements, breaches of individual contracts could result in eviction.⁵⁷

It was subsequently reported that the rent payable for the whole community, irrespective of whether families opted into the new arrangements, would rise to market rates.⁵⁸ There has been no indication of what *'market rent'* might mean in the context of DOGIT community housing, but it may be related to the removal of existing government subsidies. It is also unclear how families in receipt of welfare payments would fund this change to *'market rent'* should it result in increased costs. It may be that the proposal under the Hope Vale framework agreement to develop local businesses, with the apparent intention of providing an alternative to the 80 per cent of local unemployed Aboriginal people who access CDEP,⁵⁹ is intended to increase families' income.

Mr Pearson described the agreement as *'an important milestone for our welfare reform crusade'* although he also highlighted the lack of *'a mechanism for compelling people to contribute fairly and [that] welfare remains discretionary'*.⁶⁰ It may be that the issue referred to previously, concerning which agency would have any authority to commit individuals, unwillingly, to such arrangements, has yet to be resolved and Mr Pearson writes that he is seeking legislative change to enable *'complete conditionality as the basic principle of Aboriginal welfare'*.⁶¹

Engaging with the positive attitudes towards Welfare Reform expressed by Cape York community members in discussions with the Committee, referred to earlier, Mr Pearson describes his Welfare Reform proposal as *'the most effective solution to the crisis in child protection'*.⁶² It was reported in the media that every year 80 children are taken from Cape York Aboriginal communities and put into foster care in Cairns,⁶³ although Mr Pearson states that the figure is 80 children removed

⁵⁵ Minister for Families, Community Services and Indigenous Affairs, 'Bright Future for Hope Vale', 11 May 2007, Available at <http://www.atsia.gov.au/media/media07/110507hopevale.aspx> Accessed on 11 June 2007; ABC Online, 'PM - radical welfare plan launched in indigenous community', Available at: <http://www.abc.net.au/pm/content/2007/s1920980.htm> Accessed on 14 May 2007.

⁵⁶ *ibid.*

⁵⁷ ABC Online, 'PM - radical welfare plan launched in indigenous community', Available at: <http://www.abc.net.au/pm/content/2007/s1920980.htm> Accessed on 14 May 2007.

⁵⁸ Karvelas, P, 'It's new deal or despair: Pearson', *Weekend Australian*, 12-13 May 2007, p7.

⁵⁹ ABC Online, 'AM - Pearson praises Hope Vale plan', 12 May 2007, Available at: <http://www.abc.net.au/am/content/2007/s1921245.htm> Accessed on 14 May 2007

⁶⁰ Pearson, N, 'Reciprocity resurrected', *Weekend Australian*, 12-13 May 2007, p28.

⁶¹ *ibid.*

⁶² *ibid.*

⁶³ Lateline, 'Govt launches radical Indigenous welfare plan', 11 May 2007, Available at: <http://www.abc.net.au/lateline/content/2007/s1921087.htm> Accessed on 14 May 2007.

per month.⁶⁴ Interestingly however, also paralleling the earlier concerns raised by community members with the Committee, the launch of the Hope Vale initiative was marked by reports of ‘outrage’ by traditional owners who had not been consulted about the agreement ‘until the last minute’.⁶⁵ Elders were reported as stating that, although the agreement was positive, the land earmarked for new homes in the community was a sacred site.⁶⁶ While the Minister apologised, Mr Pearson was reported as stating:

We can't all be gutless. We can't all agree that there are these problems, but not have the courage to deal with them.

*Why do you think the Government is taking 80 children per month [sic] to the Child Safety Department, across Cape York Peninsula, including from this community? And you think I'm going to sit back? Sorry, I am not yielding to anybody, because this is as much my home as yours.*⁶⁷

Mr Pearson was also reported as saying that he knew that change was uncomfortable, but it was unavoidable:

*I'm here for a confrontation with our problems, and I will yield to nobody... I don't have to come here and stress myself in front of my community ... I could be living large somewhere else.*⁶⁸

⁶⁴ Pearson, N, ‘Hopevale speech’, 12 May 2007, Cape York Institute for Policy and Leadership, Available at http://www.cyi.org.au/WEBSITE%20uploads/Speeches_Articles%20Folder/Speeches/16%20Hopevale%20peech.doc Accessed on 11 June 2007. Given the Indigenous population of Cape York is currently only estimated to be around 8,000, Mr Pearson’s figure appears extraordinarily high. This is even more so in the context of Queensland’s total Indigenous population (at the 2001 census) being 126,000, and the total number of Indigenous children in care in 2005/06 being 1,675. Effectively Mr Pearson’s data indicate that Aboriginal children from Cape York constitute over half of the Indigenous children in care despite representing only some six per cent of the State’s Indigenous population (Taylor, J & Bell, M, The Indigenous population of Cape York Peninsula, 2001-2016, Centre for Aboriginal Economic Policy Research, ACT, Discussion Paper No. 227, 2002; Department of Child Safety (Queensland Government), Annual Report 2005-06, p69). Whether children are removed at the rate of 80 per month or per year, the data is alarming.

⁶⁵ Karvelas, P, ‘It’s new deal or despair: Pearson’, Weekend Australian, 12-13 May 2007, p7.

⁶⁶ *ibid.*

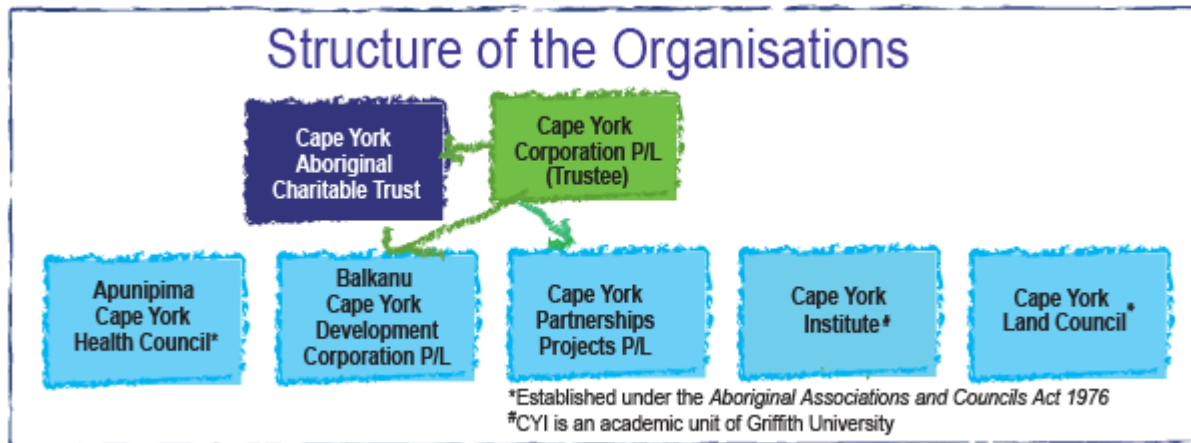
⁶⁷ ABC Online, ‘AM - Pearson hails Hope Vale plan’, 12 May 2007, Available at: <http://www.abc.net.au/am/content/2007/s1921245.htm> Accessed on 14 May 2007.

⁶⁸ Karvelas, P, ‘It’s new deal or despair: Pearson’, Weekend Australian, 12-13 May 2007, p7.

CHAPTER 4 CAPE YORK ORGANISATIONS

4.1 Introduction

Figure 4.1 The 'Cape York Organisations'⁶⁹



Mr Noel Pearson and the 'Cape York Agenda' are currently closely associated with a number of Cape York based not-for-profit entities:

- i. Cape York Aboriginal Charitable Trust;
- ii. Cape York Corporation Pty Ltd;
- iii. Apunipima Cape York Health Council, incorporated under the *Aboriginal Councils and Associations Act 1976* (Clth);
- iv. Cape York Land Council, also incorporated under the *Aboriginal Councils and Associations Act 1976* (Clth);
- v. Balkanu Cape York Development Corporation Pty Ltd;
- vi. Cape York Partnerships Projects Pty Ltd; and
- vii. Cape York Institute for Policy and Leadership, an academic unit of Griffith University.

These are known as the 'Cape York Organisations'⁷⁰, referred to in Figure 3 above, and details follow. The now defunct ATSIC also appears to have played an instrumental role in the

⁶⁹. Cape York Organisations, Governance and Structure, Available at: <http://www.capeyork.org/NewFiles/Pages/Governance.html> Accessed on 27 February 2007.

⁷⁰ Cape York Organisations, Available at: <http://www.capeyork.org/index.html> Accessed on 27 February 2007.

development of many of these agencies in the Cape York, and a brief outline of the role of the ATSIC Peninsula Regional Council is also included below. There appear to be a number of other subsidiary Cape York entities,⁷¹ but these are not detailed in this Report.

The information in this chapter is, once more, largely drawn from the Cape York organisations' websites, particularly the information on the first three organisations discussed, the ATSIC Regional Council, the Cape York Aboriginal Charitable Trust and the Cape York Corporation. The other organisations (listed at iii to vii) are referred to as the '*five portfolio organisations*' of the Cape, and together with various Cape York initiatives, were the subject of the inaugural Cape York Indigenous Organisations Regional Conference 2006, referred to previously. Information from the Conference is included in the discussion of these '*portfolio agencies*'. Finally, a brief discussion of the Indigenous Enterprise Partnerships (IEP) concludes this chapter. IEP is a Melbourne-based not-for-profit organisation which describes itself as channelling '*corporate and philanthropic resources into Indigenous development*',⁷² was also represented at the Conference and arranges business support for the Cape York initiatives, amongst other things.

4.2 ATSIC Peninsula Regional Council

According to Cape York Partnerships:

*All of the organisations mentioned are based on, and reflect the planning proposals of the ATSIC Peninsula Regional Plan 1995-2005... It is a basis for the development of regional organisational structures established to represent and provide services to Aboriginal people in Cape York.*⁷³

ATSIC had been established in Cape York as the Peninsula Regional Council since 1989.⁷⁴ As indicated previously, Mr Noel Pearson's brother Mr Gerhardt Pearson was an ATSIC councillor for six years and it appears that the ATSIC Council had an instrumental role in the development of other Cape York Indigenous organisations. In 1997, when the ATSIC Council was still functioning as the peak representative and funding body for the interlinked organisations, academic analysis suggested that:

⁷¹ For example, Cape York Partnerships Family Income Management Pty Ltd and Cape York Community Consulting Pty Ltd.

⁷² Indigenous Enterprise Partnerships, Available at: <http://www.iep.net.au/> Accessed on 27 February 2007.

⁷³ Cape York Partnerships, Available at: <http://www.capeyorkpartnerships.com/operations/beg/index.htm> Accessed on 14 March 2007.

⁷⁴ Martin, D. F, *Regional agreements and localism: a case study from Cape York Peninsula*, No.146/1997, discussion paper, 1997, p10.

*over the next decade a system of regional self-government will evolve, possibly through the establishment of a Peninsula Regional Authority which might ultimately replace the ATSIC Peninsula Regional Council as has occurred in Torres Strait.*⁷⁵

With the disbanding of ATSIC councils in 2005, it is not clear what form the aspiration to regional self-government now could take, although it appears to remain current. Cape York Partnerships website states:

*Involved in the Regional Plan is a comprehensive network of regional governing structures, with a view ultimately of developing regional Aboriginal autonomy.*⁷⁶

4.3 The Cape York Aboriginal Charitable Trust⁷⁷

The establishment of the Cape York Aboriginal Charitable Trust was identified and requested in the ATSIC Peninsula Regional Plan 1995-2005. It was created in 1995 and its objects are:

to apply trust income: for the purposes of relieving the poverty, misfortune, destitution, disadvantage, distress, dispassion, and suffering amongst Aboriginal people ... in the general vicinity of Cape York Peninsula including providing housing, health care, services and facilities, transportation and communication services, land under secure title for dispossessed people, education and training.

4.4 The Cape York Corporation Pty Ltd⁷⁸

The corporation was also formed in 1995 based on the ATSIC Peninsula Regional Plan 1995-2005 and following a resolution passed at the 1994 Cape York Land and Health Summit held in Rocky Crossing, Wenlock River.

The resolution stated:

The delegates resolved that a commercial corporation with an active role in a wide range of commercial activities be formed. That the governing committee of the Land Council be the advisory board for the corporation and a trust deed (approved by the Governing Committee) be drawn up to ensure proper operation of the corporation.

The corporation's only function is to act as the trustee of the Cape York Aboriginal Charitable Trust.

⁷⁵ Martin, D. F, *Regional agreements and localism: a case study from Cape York Peninsula*, No.146/1997, discussion paper, 1997, p11.

⁷⁶ Cape York Partnerships, Available at: <http://www.capeyorkpartnerships.com/operations/beg/index.htm> Accessed on 14 March 2007.

⁷⁷ *ibid.*

⁷⁸ Cape York Partnerships, Available at: <http://www.capeyorkpartnerships.com/operations/beg/index.htm> Accessed on 14 March 2007 and Cape York Organisations, Programs, Available at: <http://www.capeyork.org/NewFiles/Pages/Prog.html> Accessed on 27 February 2007.

The Cape York Institute's website states that the trustee is an incorporated company rather than an Aboriginal Corporation because the *Aboriginal Councils and Associations Act 1976* (Clth) can at times restrict community ability to control financial management and engage in commercial activities. This was seen as being of importance to organisations seeking to establish and promote economic opportunities, as does the corporation.

Although commercially oriented, Cape York Corporation is a non-profit corporation. On behalf of the Trust, it owns a number of subsidiary companies including Balkanu and Cape York Partnerships. The Executive Committee of the Corporation is made up of nine Directors from the Board of Directors. Five of the Directors on the Executive Committee represent the key Cape York organisations and the remaining four Directors are from the northern, western, eastern and southern regions of Cape York.

4.5 Cape York Land Council⁷⁹

The Cape York Land Council is the first of the five '*portfolio related organisations*' of Cape York. It was established under the *Aboriginal Councils and Associations Act 1976* following the inaugural Cape York Aboriginal Land Conference at Lockhart River in September 1990. Mr Gerhardt Pearson recounted the Land Council's formation at the Cape York Indigenous Organisations Regional Conference, referring to a large number of Cape York elders using their aged pension to convene a regional meeting because of their anger over the persistent failure of governments of all levels to negotiate with traditional owners over land use. Mr Gerhardt Pearson's impassioned account referred to the debt owed to these elders who sacrificed the little they had for their communities and lands.

The Land Council currently describes its mission as being to consult with and represent the Aboriginal people of the Cape York Peninsula to regain rights to sea and land in order to preserve Aboriginal culture and enhance economic opportunities. As the recognised Native Title Representative Body for the Cooktown (Cape York Peninsula) area, the Council provides legal advice, advocacy and representation. Programs include:

- Native title applications;
- *Aboriginal Land Act 1991* (Qld) matters;
- Cultural heritage protection;
- Mining and other developments; and
- Submissions and representation on law and procedural reform.

⁷⁹ Unless otherwise indicated, information is sourced from the website Cape York Organisations, Programs, Available at: <http://www.capeyork.org/NewFiles/Pages/Prog.html> Accessed on 27 February 2007. The Cape York Land Council website had been under construction for some months at the time this Report was drafted.

At the Cape York Indigenous Organisations Regional Conference, participants were informed that the Council currently receives funding of \$3.6 million p.a., with some ninety per cent committed to doing Native Title work thus limiting the agency's capacity to do anything else. It was also reported that for the past two years the Council had been on the brink of closure. There had been three independent reviews and the appointment of a funds controller. In 2004, there were a number of critical accusations. The Independent Audit Report for 2004/05, published on the Office of the Registrar of Aboriginal Corporations (ORAC) website⁸⁰ stated:

*The corporation did not have appropriate corporate governance procedures in place during the year and was not operating effective internal controls over expenses from ordinary activities. As a result we were unable to determine whether all reported expenses represented valid expenses of the corporation for the year ended 30 June 2005.*⁸¹

However, at the Regional Conference it was reported that the funds controller was removed in September 2006 and the Council now had Public Benevolent Institution (PBI) status from the Australian Taxation Office as a result of an unqualified audit, and allowing certain tax exemptions.

A presentation on the Cape York Heads of Agreement (CYHOA) was also part of the Conference. As indicated in the previous extract from the Cape York Partnerships website⁸², the Cape York Land Council, under the stewardship of Mr Noel Pearson, entered into the CYHOA. Referred to as a 'groundbreaking' project, it was described at the Conference as a framework agreement settling land use in the Cape York Peninsula outside of the Native Title legal framework. Elsewhere it has been lauded as a 'resolution of native title issues by negotiation rather than litigation'.⁸³ Although not a legally binding agreement, it was intended to protect land, the interests of the Traditional Owners, and to have allowed for economic development. The Agreement was said at the Conference to have been based on one fundamental principle: all three factions involved in the agreement - the environmentalists, pastoralists and Indigenous people - had to work together.

At the Conference, the recently enacted Queensland *Wild Rivers Act 2005* was described as contrary to the CYHOA. The legislation was described as 'ripping out the stairs' from the stairway of opportunity, a metaphor used by Mr Pearson to refer to his vision for advancing the interests of Indigenous people of Cape York, referred to previously. The proposal to declare 14 rivers in the Cape York as 'wild rivers' under the Act was said to mean there could be no agriculture, aquaculture or husbandry for one kilometre on either side of these rivers and to result in no mining or outstations and grazing problems. It was said that this would force the Indigenous

⁸⁰ Office of the Registrar of Aboriginal Corporations (ORAC), Available at: <http://www.orac.gov.au>

⁸¹ Howarth, North Queensland, 'Independent Audit Report to the Members of Cape York Land Council Aboriginal Corporation', 20 October 2005, p2.

⁸² Refer to p4 of the report. Available at: <http://www.cyi.org.au/director.aspx>

⁸³ Council for Aboriginal Reconciliation, 'Cape York Heads of Agreement', Available at: <http://www.austlii.edu.au/au/other/IndigLRes/car/1999/2/page3.htm> Accessed on 11 April 2007.

people of the Cape into a life of welfare dependence with no reasonable prospect of economic development. The rhetorical question was asked about why the CYHOA failed. It was claimed that the pastoralists and environmentalists had walked away from the agreement and that *'They did not stick to the agenda'*.

Subsequently, on 7 June 2007, another agreement concerning land use on the Cape York Peninsula was being reported. The Queensland Premier was said to have described this new agreement as *'historic'* and to have told Parliament that the Indigenous communities, conservationists, the mining industry and pastoralists should be congratulated for their cooperation.⁸⁴ Mr Pearson was reported as stating that:

*This is a day of very, very turbulent feelings, because it comes 17 years after we first embarked on this crusade... I really do feel land rights is going to be put behind us ... and we can get onto the social agenda of development and welfare reform.*⁸⁵

Unlike the original Cape York Heads of Agreement, this agreement will be based on the Cape York Peninsula Heritage Bill introduced into the Queensland Parliament by the Premier on 7 June 2007, and as such has legally enforceable rights underpinning it.⁸⁶

4.6 Apunipima Cape York Health Council⁸⁷

Apunipima, which means *'United - All in One'* in Injinoo Ikya language, was conceived at the Panjinka Wilderness Lodge, near Injinoo (the tip of Cape York) on the 14 September 1994. Its mandate was to carry the health related issues of the 17 Cape York Aboriginal Communities to both the Cape York Land Council and the ATSIC Peninsula Regional Council. Apunipima was the first community controlled health organisation covering Cape York and was a new model in Aboriginal health services. It is described on its website as *'part of the interwoven web of regional organisations that represent the grass roots - the community people'*.

To become a member, individuals must be Indigenous and be from Cape York or able to prove strong cultural ties to the Cape. A membership form is required to be completed and signed, but membership is free. Supervised elections occur bi-annually in each community for Apunipima members to elect their representatives.

⁸⁴ Parnell, S, 'Beattie, Cape mayors in deal', *The Australian*, 13 February 2007, p8.

⁸⁵ ABC Online, 'Beattie lauds Cape York Indigenous land deal', 7 June 2007, Available at: <http://www.abc.net.au/news/newsitems/200706/s1944848.htm>.

⁸⁶ Hon. P.D. Beattie, Queensland, Legislative Assembly, *Parliamentary Debates (Hansard)*, 7 June 2007, pp1960-1963.

⁸⁷ Unless otherwise indicated, information is sourced from the website Apunipima Cape York Health Council, About Apunipima, Governing Committee, Available at: <http://www.apunipima.org.au/about/gov.htm> Accessed on 27 February 2007.

The Apunipima Committee consists of 34 members, two elected Apunipima members from each of the 17 Cape York communities. The constitution was modified in 2002 to ensure that a male and female representative is elected to represent each community, ensuring some equality of representation of the sexes.

In relevant sessions of the Cape York Indigenous Organisations Regional Conference the need for urgent health improvements and specific data collection in Cape York set the context for a proposed expansion of the role of Apunipima to implement '*community control*' of all health services for Indigenous people in Cape York.

Presenters outlined the time line for the transition from mainstream to community control of health services in the Cape, commencing with the publication of the Cape York Institute's (CYI) *Health Reform Project Report* in 2005.⁸⁸ Acting on the proposal in the *CYI Health Reform Project Report*, Apunipima was selected as the agency by which '*community control*' of all health services in Cape York would be implemented.⁸⁹

It was reported at the Conference that a plan for the transition to community control of health services should be available by the end of 2006/07, and that the roll out would be in Coen, Lockhart and Aurukun in 2007. The plan is for Apunipima to be the purchaser and provider in two years, and the sole service provider for the whole region in five years. There were five key features of the plan:

- Both Commonwealth and Queensland governments commit to a funds pool;
- This be managed by Apunipima, although an executive committee reporting to the Apunipima Board would include a number of *ex officio* government representatives;
- Apunipima to be the service provider, or to purchase the service if it is not providing services itself;
- Apunipima to deliver services in the communities located in Cape York or across the clusters; and
- Apunipima will monitor the Health Action Groups⁹⁰ within the communities and provide feedback to the Board of Apunipima.

⁸⁸ Cape York Institute for Policy & Leadership, *Cape York Health Reform Project & Social Enterprise Proposal*, CYI, 2005.

⁸⁹ *ibid*, p64.

⁹⁰ Health Action Groups appear to be modelled on Community Justice Groups but directed towards community input on health matters and do not currently have any legislative basis. Health Action Groups were described by the Cape York Institute for Policy and Leadership as being '*set up in most communities and represent an example of a community communication mechanism*' (Cape York Institute for Policy & Leadership, *Cape York Health Reform Project & Social Enterprise Proposal*, CYI, 2005, p68).

At the Conference, reference was made to Apunipima being in ‘*turmoil*’ some six months earlier, on 30 June 2006, when its funding ceased. At that time Apunipima was running two projects, one relating to Family Wellbeing and another to Foetal Alcohol Syndrome. Presenters indicated that since then work had been done to restore confidence in the organisation and, that as at November 2006, the core funding for Apunipima was \$1.4 million p.a. with 17 staff members. With the transition to ‘*community control*’ of all of the Cape’s Indigenous health services, Apunipima’s funding potentially would increase to between \$30 to \$50 million p.a. and there would be between 300 and 400 staff.

Included in the general description of health reform at the Conference was further research currently being undertaken by the Cape York Institute in conjunction with Apunipima, to mandate the health screening of welfare recipients. This was expected to take effect in a similar way to welfare reforms; with mandatory health checks being added to the requirements to access other support services before recipients are eligible to access welfare payments.

4.7 Balkanu Cape York Development Corporation Pty Ltd⁹¹

Balkanu, which means ‘*to make and to build*’ in the Kuku Yalanji language, was established in 1996 and is currently owned by the Cape York Aboriginal Charitable Trust on behalf of the Aboriginal people of Cape York. It appears to have originally been owned by the Cape York Land Council and Apunipima.⁹² Balkanu’s development was said to have:

*originally arose from concerns that there was no coordinated program for community development in the Cape and that appropriate economic development was fundamental to addressing many of the issues confronting Aboriginal people in the region.*⁹³

Balkanu is currently described as being committed to supporting Aboriginal people of Cape York through initiatives which deliver positive outcomes for the economy, society and culture of Cape York people. Mr Gerhard Pearson is the Chief Executive Director of Balkanu, and was first appointed in 1997.

Projects previously listed on the website include:

Cape York Business Development

The Cape York Business Development Unit is responsible for facilitating indigenous enterprise development across Cape York. The mission is to assist in the creation of viable, self sufficient businesses, rather than to provide broad economic development advice or to facilitate dependence on government support...

⁹¹ Unless otherwise indicated, information is sourced from the website Balkanu Cape York Development Corporation, Available at: <http://www.balkanu.com.au/index.html> Accessed on 16 March 2007.

⁹² Martin, D. F, *Regional agreements and localism: a case study from Cape York Peninsula*, No.146/1997, discussion paper, 1997, p12.

⁹³ *ibid*, p12.

Sponsors include Indigenous Business Australia, Department of State Development and Innovations, Westpac and Boston Consulting Group.

Caring for Country

The Caring for Country Unit assists Traditional Owner groups throughout Cape York Peninsula manage their natural and cultural resources on country. There are currently ten staff working in the Caring for Country Unit.

Cape York Digital Network

The Cape York Digital Network (CYDN) was established to provide managed information and communication technology services to communities and commercial users in the Cape York region. CYDN operates a network of managed technology centres in Cape York.

Infrastructure

This Unit manages the low cost housing project and facilitates reciprocity and co-ordination between Cape York families and the government and corporate sectors.

Balkanu is trialling a low-cost housing project in Cape York involving a reciprocity component or Shared Responsibility Agreement (SRA) with the beneficiaries of the housing.

We believe that reciprocal obligations are necessary to avoid a continuation of welfare dependency. By investing labour and money in their low-cost housing unit, families retain control and responsibility for their homelands and develop pride in their own achievements and respect for their housing unit.

The house design is simple, appropriate for the environment and climate, inexpensive and relatively easy to erect (with fabrication of major parts of the house off-site).

This project is to test our reciprocity model by building five of these low-cost houses on Cape York. This project would be the first to trial an SRA on this scale in Cape York.

Land Reform

Facilitates tenure resolution, land access and land acquisitions for Traditional Owners.

Balkanu has been contracted by the Department of Communities, Cape York Tenure Resolution Task Force, to support continued Traditional Owner engagement in the tenure partitioning process of targeted Crown Reserves and State-owned lands on Cape York Peninsula.

The process involves engaging with Traditional Owners for each property to identify aspirations or to confirm and finalise aspirations identified in previous planning.

Balkanu identifies the Traditional Owner negotiating teams ensuring appropriate representation from all Traditional Owner interests for each property.⁹⁴

It was reported at the Cape York Indigenous Organisations Regional Conference that in the past 12 months Balkanu was associated with two enterprises worth \$600,000 which were brought into

⁹⁴ Balkanu had previously also administered CDEP in the Cape York area.

the Cape. It was also reported that grants to Balkanu totalled \$6 million p.a., with up to 40 separate grants being paid at one time.

4.8 Cape York Partnerships Projects Pty Ltd⁹⁵

Cape York Partnerships Projects Pty Ltd (CYP) was originally registered as Cape York Leasing Pty Ltd with the Australian Securities and Investments Commission in 1995.⁹⁶ Its website states, however, that it is a community development organisation formed in 1999⁹⁷ through an agreement between the Queensland Government and regional Indigenous organisations. It is owned by Cape York Corporation Pty Ltd.

CYP states that it supports Indigenous individuals, families, clans and communities to move beyond passive welfare, towards a social recovery and to participate actively in the economy. Distinguishing it from other agencies that develop initiatives outside the region and then implement these in isolation from other agencies in a random community-by-community approach, CYP describes its approach as being based on developing initiatives within the region, maximising these opportunities through partnerships and gaining support for projects at regional level to ensure regional outcomes.

CYP states that it follows the aspirations of the region as articulated in the (now defunct) ATSIIC Peninsula Regional Plan (2000-2010)[sic] and by a number of community and regional organisations. It states that its Family Development Strategy concentrates on the three main issues that touch every family and will have the most positive impact on families and community life, being:

- Family income management;
- Dealing with substance abuse and improving family health; and
- Educational engagement.

At the Conference, CYP outlined its part in a move away from a model of consultation to one of negotiation with Indigenous people. This resulted in the State government identifying ‘champions’, senior officers who are responsible to deliver outcomes, allowing for bureaucracy to be eliminated by providing Indigenous people the opportunity to negotiate directly with government.

The focuses for CYP projects were described as:

⁹⁵ Unless otherwise indicated, information is sourced from the website Cape York Partnerships, Available at: <http://www.capeyorkpartnerships.com/index.htm> Accessed on 27 February 2007 and Cape York Organisations, Available at: <http://www.capeyork.org/index.html> Accessed on 16 March 2007.

⁹⁶ ASIC, ‘Cape York Partnerships Projects Pty Ltd’, Available at: <http://search.asic.gov.au/cgi-bin/gns030c> Accessed on 14 March 2007.

⁹⁷ Apparently when the corporation’s name was changed (*ibid*).

- individuals taking responsibility;
- leadership;
- confronting dysfunction;
- reversing dependency;
- engaging with families and individuals;
- enabling functional families; and
- behaviour.

With reference to its dealings with Indigenous people, presenters indicated that CYP works with individuals and not formal structures. The Alcohol Management Plans, which CYP was instrumental in implementing in Aboriginal communities, reportedly were not negotiated with the ‘communities’. Instead CYP dealt with Community Justice Groups, consistent with its focus on individuals and families - not ‘community’.

CYP presenters stated that its approach is very different from ‘doing things for someone else’. Since 2002 it recognised that welfare reform needed to affect everyone in the community and it appears that this view has prompted the exploration of mandatory elements of the ‘Welfare Reform’ proposals discussed earlier in this Report, at Chapter 3.5. Other current projects listed on the CYP website, Every Child is Special, Family Income Management, Work Placement Scheme and Pride of Place were also described in Chapter 3.

4.9 Cape York Institute for Policy and Leadership⁹⁸

The Cape York Institute for Policy and Leadership, generally referred to as the Cape York Institute, is the most recent addition to the ‘Cape York Organisations’. Established as a result of work being undertaken by CYP and funded by the Australian and Queensland governments as part of the Cape York COAG Trial, the Institute was described by one of the COAG Trial’s stakeholders as ‘one of the most successful initiatives of the COAG Trial’.⁹⁹

The Cape York Institute website states that it:

... is a public policy organisation that champions reform in Indigenous economic and social policies. It is focussed on issues in Cape York, but aims to have a national

⁹⁸ Unless otherwise indicated, information is sourced from the website for the Cape York Institute for Policy and Leadership, Available at: <http://www.cyi.org.au/default.aspx> Accessed on 27 February 2007.

⁹⁹ Urbis Keys Young, Review of the Cape York COAG Trial Final Report, 2006, p23. Interestingly, however, Mr Noel Pearson described the COAG Trails as a ‘failure’ (Pearson, N, ‘Give us help to help ourselves’, *The Australian*, 17 March 2007, p28).

influence. The Institute's Director is Noel Pearson, an Aboriginal leader and activist from the community of Hopevale.

The Institute sits in the nexus of academia, community development, and advocacy. Our goal is to be rigorous yet practical as we advocate for change. We are guided by the Cape York Agenda whose stated goal is to enable the people of Cape York to have the capabilities to choose a life that they have reason to value. The Institute's work falls into three broad streams:

Policy & Research - The Institute undertakes short-to-medium-term policy/research projects across a wide range of economic and social policy issues. Projects seek to determine the first causes of the issues and develop practical solutions.

Leadership & Youth - The Institute runs a number of programs aimed at developing the capabilities of current and future leaders. Programs are designed for current Cape York leaders as well as secondary and tertiary aged youths.

In addition, the Institute has an overarching Think Tank function which is responsible for idea articulation, external liaison and public seminars and conferences...

The Cape York Institute for Policy and Leadership was launched in July 2004 and is based in Cairns. We are a partnership between the people of Cape York, the Commonwealth and Queensland Governments, and Griffith University. We are funded by a core grant from the Department of Education, Science, and Training and Education (DEST) Queensland, and supplement that core grant with fee-for-research and private and corporate philanthropy.

BOARD

We have a majority-indigenous appointed board chaired by Prof. Marcia Langton.¹⁰⁰

STAFF

The staff at the institute come from a range of backgrounds including community development, academia, corporate business and law.¹⁰¹

At the Cape York Indigenous Organisations Regional Conference, it was reported that CYI revenue for 2007 was \$3 million; its core grant being education funding from the Queensland and Commonwealth governments of \$1 million p.a. over five years, with the additional \$2 million provided as project funding. CYI had a staff of approximately 25 - many of whom were secondees from government. Presenters emphasised that CYI was independent of Griffith University, and despite its policy and research function, had a pragmatic and practical, rather than an academic, focus.

CYI projects referred to included Welfare Reform (with half the organisation devoted to it in 2007); health reform; identity and social norms; economic viability; governance; literacy; and the

¹⁰⁰ The former Premier of Western Australia, Dr Geoff Gallop, is also on the Board of Directors of the CYI.

¹⁰¹ Cape York Institute, Available at: <http://www.cyi.org.au/default.aspx> Accessed on 27 February 2007.

privatisation of housing in the context of advising government of better incentives to drive responsibilities in this area. Under the Youth and Leadership function the Institute had established the Higher Expectations program which supported outstanding students to go to the best schools (referred to in Chapter 3.4); and a range of other youth development initiatives.

4.10 Indigenous Enterprise Partnerships¹⁰²

The Indigenous Enterprise Partnerships (IEP) website states:

IEP seeks to develop innovative ways to arrest and breakthrough the destructive passive welfare economy by:

- *directly and indirectly building the capacity of individuals and organisations;*
- *delivering appropriately skilled resources to priority projects;*

... IEP has been operating in Cape York in its current form since 2001 and has recently established an office in the Goulburn/Murray district of Victoria.

*Its development was driven by a group of individuals who were inspired by Noel Pearson's *Our Right To Take Responsibility* (1999) which articulated the existence of 'passive welfare' in Indigenous communities and the need to create a 'real economy'.*

IEP has used this as their underlying philosophy. Our objective is to foster economic and social development, focusing on long-term, sustainable impacts that would help break the cycle of welfare dependency.

The vision of establishing partnerships between corporate, private philanthropy and Indigenous leaders was formed and Cape York was selected as the first trial site. In line with this approach, corporate and philanthropic partners began working through, and in line with, the strategies and aspirations of the Indigenous leaders and their organisations.

Organisations listed on the website as key partners include a range of Indigenous and philanthropic organisations as well as corporations and government agencies: for example, Westpac, Boston Consulting Group (BCG), The Body Shop, Myer Foundation, and the Commonwealth's Office of Indigenous Policy.

The IEP website continues:

In its first five years, IEP has provided assistance to over 120 projects or businesses, mainly brokered through Balkanu, Cape York Partnerships and more recently Cape York Institute. Examples of how IEP has contributed to the jigsaw:

¹⁰²

Unless otherwise indicated, information is sourced from the website Indigenous Enterprise Partnerships, Available at: <http://www.iep.net.au/index.htm> Accessed on 27 February 2007.

Project	Activity Lead By	Assistance Facilitated By IEP
Community Controlled Health Care	Apunipima	Provided BCG resources to help outline the argument for, and approach to, community controlled health care
Business Hubs	Balkanu	Provided resource to develop the strategy and funding submission, with ongoing support from Westpac secondees
Cape York Digital Network (CYDN)	Balkanu	Provided resources to help articulate the original aims and to obtain seed funding
Traditional Knowledge Recording Project (TKRP)	Balkanu	Provided advice and resources to assist in capturing stories and history
Weipa Multi Purpose Facility	Balkanu and Cape York Partnerships	Provided resources to develop the feasibility study, business plan and submission to Comalco and government for funding
Boys From The Bush	Cape York Partnerships	Ongoing Director-level support of the manager and business planning
Family Income Management (FIM)	Cape York Partnerships	Provided Westpac resources to develop the strategy and provide ongoing support to the local project staff
Computer Culture	Cape York Partnerships	Provided Westpac secondees to assist the project manager to develop the program
Alcohol Management Program	Cape York Partnerships	Provided BCG resource to help develop the strategy for presentation to government
Welfare Reform Project	Cape York Institute	Provided secondees to support the articulation of the aims and approaches, and to garner government support for the idea

Some of these projects were described previously, in Chapter 3.

At the Cape York Indigenous Organisations Regional Conference, IEP was described as '*largely a virtual organisation*', with its national office consisting of one full and one part-time worker in Melbourne, and a staff member located in each of Cairns and Goulbourn. IEP's corporate partners deliver the work on IEP projects.

CHAPTER 5 THE CURRENT AGENDA ON INDIGENOUS AFFAIRS

5.1 The Commonwealth agenda

Mr Noel Pearson's proposals have often found favour with the proponents of the current Commonwealth agenda on Indigenous affairs, evidenced to some extent by the funding allocations outlined in the next chapter. It is of note that in Mr Pearson's judgment *'those policies that are needed to tackle indigenous misery - economic integration, social order and welfare reform - have been championed by the Right'*.¹⁰³

However, it is also the case that Mr Pearson is not altogether at one with *'the Right'*, and in June 2006 he criticised Mr Keith Windshuttle and Dr Gary Johns for *'an inexplicable antagonism to Aboriginal Australians' wish to remain culturally distinct'*.¹⁰⁴ Mr Pearson's work, including his endorsement of the Noongah native title decision by Justice Wilcox,¹⁰⁵ is not always easily reconcilable with a Commonwealth agenda that one Indigenous critic has described as being *'about resisting and minimising the recognition that is provided to our cultures, our history, our capacities to contribute and our ongoing connection with land'*.¹⁰⁶ Mr Pearson has recently reiterated his view that:

*At the level of philosophy the conservatives have a keener understanding of the problems, without which there could be no clarity on solutions... But the federal Government's efforts in indigenous policy suffer from some fundamental flaws. The most profound flaw is that there is no recognition of the rights of indigenous Australians as the original people of this country.*¹⁰⁷

5.2 The new arrangements

Ms Kerry Arabena, a visiting Research Fellow at the Australian Institute of Aboriginal and Torres Strait Islander Studies and a descendant of the Merriam people of the Torres Strait, has critiqued the current Commonwealth direction in Indigenous affairs. Ms Arabena writes that four

¹⁰³ Pearson, N, 'A peculiar path that leads astray', *Inquirer magazine in Weekend Australian*, 21 October 2006, p26.

¹⁰⁴ Pearson, N, 'Don't listen to those who despise us', *The Age*, 26 June 2006, p11.

¹⁰⁵ Pearson, N, 'A mighty moral victory', *The Weekend Australian*, 23 September 2006, p20.

¹⁰⁶ Arabena, K, *Not fit for modern society: Aboriginal and Torres Strait Islander people and the new arrangements for the administration of Indigenous Affairs*, Australian Institute of Aboriginal and Torres Strait Islander Studies (AITSIS), Canberra, 2005.

¹⁰⁷ Pearson, N, 'Give us help to help ourselves', *The Australian*, 17 March 2007, p28.

contentions put forward by Mr Pearson in *The Right to Take Responsibility* have been adopted by the Commonwealth government to implement this agenda.¹⁰⁸ These involve:

- The rejection of the reconciliation agenda for a practical reconciliation based upon economic development and ‘*mutual obligation*’ which will see Indigenous and non-Indigenous Australians develop ‘*morally correct relationships with each other through the enhancement of individuals’ capacities to engage with real economies*’.¹⁰⁹
- Bureaucracy as contributing to passive welfare, resulting in government seeking to actively engage with individuals and communities through Shared Responsibility Agreements and Regional Partnership Agreements with activities coordinated at ‘*whole of government*’ level. As rural and remote communities are most affected by ‘*passive welfare*’ (being most isolated for the ‘*real economy*’) the intention of government could be ‘*seen to facilitate Indigenous people from remote communities into urban society as a method of overcoming disadvantage and making the transition from dependence to independence*’.¹¹⁰
- Leadership as something that ‘*everyone must do*’, so that people assert leadership within their families and that no representative ‘*intermediaries*’ such as ATSIC are required.¹¹¹
- That there is no contradiction between Indigenous people operating in a globalised world and in their society. This is based on Mr Pearson’s concept of ‘*orbits*’ which sees Indigenous young people as being mobile, moving away and returning to their homelands.¹¹²

Ms Arabena believes these new arrangements in Indigenous affairs will ‘*facilitate our social inclusion into mainstream society; thereby promoting a sense of Australian homogeneity and suburban social cohesion*’.¹¹³ In these urban settings, Ms Arabena states that the issue is recognised by government only to be one of Indigenous people needing improved access to mainstream services.

¹⁰⁸ Arabena, K, *Not fit for modern society: Aboriginal and Torres Strait Islander people and the new arrangements for the administration of Indigenous Affairs*, Australian Institute of Aboriginal and Torres Strait Islander Studies (AITSIS), Canberra, 2005.

¹⁰⁹ *ibid*, pp18-20.

¹¹⁰ *ibid*, pp20-22.

¹¹¹ *ibid*, pp22-23.

¹¹² *ibid*, pp23-24.

¹¹³ *ibid*, p24.

Ms Arabena writes that she believes ‘*the real problem* [with the new direction in Indigenous affairs] *lies with whether this Government is able to treat diverse cultures as equal; without being made the same within the modern Australian society*’.¹¹⁴

In a speech in June 2006, Mr Gerhard Pearson acknowledged some of the same concerns. He refers to Commonwealth Ministers and Dr Gary Johns being interested in ‘*a permanent exodus*’ of Indigenous peoples from remote and rural areas, but states that ‘*Indigenous Australians are not going to choose this course of action*’ nor ‘*do we want it*’.¹¹⁵ He goes on, however, that:

*we have established that educational and economic success and social order are indispensable. Our main insight is ... that even if the ultimate causes of our problems are related to a history of dispossession and racism, these traumas do not maintain the dysfunction that is widespread in our communities.*¹¹⁶

Instead he endorses his brother’s concept of ‘*orbits*’ for education and work, if ‘*Indigenous Australian’s connection to our ancestral lands is secured*’.¹¹⁷

By doing so Mr Gerhardt Pearson apparently also endorsing his brother’s view, referred to in Chapter 3.5, that he could see no scenario where development takes place in the communities: ‘*viability requires mobility*’. Interestingly, this appears to contradict research conducted by Kleinhardt-FGI and Business Mapping Solutions as part of the Cape York COAG Trial which found there was an Indigenous workforce of 3,700 in Cape York and a demand for 4,500 full time jobs:

*Presently there are employment opportunities for Cape York Peninsular people not being taken up and there are opportunities to generate new businesses and additional jobs. It is not only a matter for jobs being available and training provided for those jobs. Gaining and retaining employment for local Indigenous Cape York people is far more complex than this.*¹¹⁸

Of greater apparent concern to critics such as Ms Arabena, however, is whether equality for Indigenous people, as it is currently understood, can mean anything other than sameness. Mr Gerhard Pearson does admit to ‘*real issues*’ about whether a focus on economic integration is a threat to Indigenous Australian culture and identity. He states, however, that:

¹¹⁴ Arabena, K, *Not fit for modern society: Aboriginal and Torres Strait Islander people and the new arrangements for the administration of Indigenous Affairs*, Australian Institute of Aboriginal and Torres Strait Islander Studies (AITSIS), Canberra, 2005, p57.

¹¹⁵ Pearson, G, ‘Dinner Speech’, Gladstone Conference, 8 June 2006, pp2-3.

¹¹⁶ *ibid*, p3.

¹¹⁷ *ibid*.

¹¹⁸ Kleinhardt-FGI & Business Mapping Solutions, Cape York Indigenous Employment Strategy: “*Local jobs for local people*”, November 2005, p7.

*... it is now clear that dysfunctional communities destroy Indigenous Australian cultures. Integration into the mainstream economies is unlikely to be a greater threat to our cultural identity than our state of social disintegration. A real economy is probably our best potential support for identity and culture.*¹¹⁹

5.3 The causes of 'dysfunction'

In part, the solutions proposed to address current dysfunction in Aboriginal communities will be shaped by the understanding of the causes. Mr Pearson's identifies the causes of dysfunction as recent - welfare dependency, exclusion from the 'real economy', and substance abuse. He writes:

And yet it is generally not acknowledged that the nature and extent of our social crisis is of recent origin. And our entire policy proceeds from this ignorance. This ignorance obscures the fact that our society was once functional - not just back in the long distant pre-colonial past, but only a bit more than three decades ago. And ignoring the historical development of our problems reinforces further misconceptions about their source: the erroneous assumptions that our social problems are the legacy of racism, dispossession and trauma and that our chronic welfare dependency is the end result of these social problems. But this generally accepted causal chain: racism, dispossession and trauma create social problems which create passive welfare dependency, is wrong. Both steps in the reasoning are wrong. Firstly, prior to the 1970s, even though racism was state sanctioned, dispossession had been well effected, and trauma was still fresh and ongoing in our society, we did not have the kind or degree of social problems we see today. Secondly, our social problems didn't come before our passive welfare dependence - rather our social problems arose out of the economic condition of passive welfare dependence.

Of course racism, dispossession and trauma are the ultimate explanations for our precarious situation as a people. But the point is that they do not explain our recent, rapid and almost total social breakdown. And most importantly, if we build our ideology and base our plan of action on our justified bitterness about what has happened to us we won't be able to claim our place in the modern economy.

Many people will take what I'm saying about the poison of passive welfare as a justification for their argument that government should not be providing ear marked resources to Aboriginal people, but I do not support those ideas. It is the government's responsibility to coordinate and facilitate the solution of an urgent social crisis. It has the responsibility to facilitate our return to the real economy. However the government can only facilitate a solution, it cannot solve the problem.

Others identify the causes - and therefore potential solutions - differently. For example, at the Rob Riley Memorial lecture in November 2006, Dr Irene Watson, from the Tanganekald and Meintangk Indigenous peoples of southern Australia, analysed the treatment of violence against Aboriginal women as being 'presented over a number of years by the Australian media as being inherent in Aboriginal culture and law'. Dr Watson continued:

¹¹⁹ Pearson, G, 'Dinner Speech', Gladstone Conference, 8 June 2006, p4.

*The rhetoric of one law for all Australians took hold during the media avalanche of reports of rape and violence... With that also came the call for privatization of Aboriginal lands, lands currently held collectively under State and Commonwealth legislation... Primarily this view supports the idea that collective land ownership contributes to the vulnerability of Aboriginal women and that private ownership of land provides greater protection for women who are subjected to violence in Aboriginal communities. These public declarations were made even though the evidence to support this position could be interpreted differently.*¹²⁰

In Dr Watson's view, the removal of collective land ownership for individualised, private land ownership, is a form of 'entrapment', of 'being hunted into a confined space... how this action can be of benefit to women and children alludes me'.¹²¹

Comments reportedly made by the Social Justice Commissioner, Mr Tom Calma, also raise concerns about the lack of evidence to support many current proposals, including the privatisation of Aboriginal land:¹²²

Mr Calma said the Government had become obsessed with a few Aboriginal intellectuals, including Mr Pearson, and was not listening to grassroots indigenous people.

'What they've been talking about is a theory that is yet to be proven,' Mr Calma said.

'There's no evidence that what they've been pushing for has worked.' ...

'I am keen to see what examples they have to demonstrate that this (private home ownership) succeeding. We are yet to find this is working, particularly in developing

¹²⁰ Watson, I, 'Universal Human Rights vs Cultural Relativism: What's Culture got to do with it?', Rob Riley Memorial Lecture, Curtin University, Perth, 31 October 2006, pp3-4.

¹²¹ *ibid*, p5.

¹²² Commonwealth proposals to alter Aboriginal communal title in the Northern Territory were linked to the announcement of a budget initiative for 2006/07 committing \$107.5 million over four years to the expansion of the Home Ownership on Indigenous Land Program. This program was, in turn, linked to the Cape York Partnership's Financial Income Management project, amongst other programs, by providing for a 'Matched Saving Scheme' (Minister for Families, Community Services and Indigenous Affairs, 'Budget 2006 Indigenous Affairs Strengthening Indigenous Communities, Families, Community Services and Indigenous Affairs, Expansion of Home Ownership on Indigenous Land Programme').

*countries, and particularly with people living in small communities like the majority of ours are.*¹²³

While Mr Calma asserts that Mr Pearson is ‘*playing to the white crowd*’, Dr Watson believes that much of the current direction on Indigenous issues is driven by the demonisation of Aboriginal culture:

*Perhaps to avoid the demonisation of culture, culture should not be viewed in isolation of the larger context of marginalisation due to colonialism. The demonisation of Aboriginal culture and law is most likely to occur when the focus shifts away from the social, political and economic dis-empowerment of many of the communities who are seen to transgress ‘civilised’ behaviour. To focus entirely on questions of culture, and then to measure civility by the standards represented by the dominant culture (one that is responsible for our colonised and subjugated non-status), gives a view which emanates from a position of comparative power, an outsider’s view. What is missing in this measuring of standards of Aboriginal peoples’ culture is the abstraction of culture from questions of power, and the destruction that that power wielded for more than 200 years has wrought on the social, political and economic position of Aboriginal peoples. From this ‘measured civility’ approach we are seen (once again) as we were at the time of invasion and first contact, as the barbarians of our past.*¹²⁴

It is important, however, that although Mr Pearson has been a strong advocate for privatisation of Aboriginal lands,¹²⁵ he does not contribute to the demonisation of Indigenous identity and culture. As indicated earlier in this chapter, at 5.1, Mr Pearson has been an uncompromising advocate for the need to retain and recognise a distinct Indigenous culture and identity. Nonetheless, he does see what were once positive cultural obligations and relationships as being misappropriated in a ‘grog’ dominated society:

The substance abuse epidemics are embedded in our Aboriginal social web and has become our new dysfunctional culture: to drink is to be Aboriginal. When you look at a drinking circle you see people who are socialising around grog. Everyone is obliged to share the money and the grog.

¹²³ Karvelas, P, ‘Pearson “playing to the white crowd”’, *The Australian*, 20 February 2007, p5. In a subsequent article, Mr Pearson refers to the Indigenous Business Australia home loans program as an ‘*outstanding success*’, having resulted in houses that are ‘*well maintained, the owners do not allow overcrowding, [and] there is pride and all the benefits that flow from owning a home*’ (Pearson, N, ‘Taking Ownership’, *The Weekend Australian*, 3-4 March 2007, p17). The relevance of such a program, which has resulted in the purchase of only some 12,000 homes over its more than 30 years of operation, to housing issues in remote communities, remains unclear. Moreover, the existing program relies on loan properties being commercially viable, and Mr Pearson acknowledges that for houses in remote communities ‘*the construction costs would exceed their market value*’ (Pearson, N, ‘Speech Notes’, Public Seminar on Housing in Cape York: The Role of Private Home Ownership, 20 February 2007, Cape York Institute for Policy and Leadership, Cape York Institute website Available at: <http://www.cyi.org.au/feb2007.aspx> Accessed on 14 March 2007).

¹²⁴ Watson, I, ‘Universal Human Rights vs Cultural Relativism: What’s Culture got to do with it?’, Rob Riley Memorial Lecture, Curtin University, Perth, 31 October 2006, p7.

¹²⁵ See, for example, Pearson, N, ‘Properties of integration’, *Weekend Australian*, 14-15 October 2006, p28.

These social and cultural obligations are invoked at every turn by members of the drinking circle. These invocations are very heavy indeed and they most often draw upon real obligations and relationships under Aboriginal laws and customs. What - when people are not drinking but hunting - is a cultural obligation to share food with countrymen, is turned into a cultural obligation to share grog. In fact your fellow drinkers will challenge your Aboriginal identity in order to establish your obligation to contribute money to buy grog.

*Outside of this drinking circle are the women and the children and old people and the non-drinkers. These non-drinkers are placed under tremendous social and cultural pressure to contribute resources to the drinking circle for buying grog. Ultimately the addicts resort to intimidation and violence.*¹²⁶

Other views, such as those Mr Pearson expressed at the Cape York Indigenous Organisations Regional Conference, appear more difficult to reconcile to the retention of a distinct Aboriginal identity and culture. These include requirement to restrict traditional latitude in child rearing practices and to abandon ‘communitarian belief’ so that Indigenous people can advance up ‘the stairway of opportunity’ (see Chapter 3.5). ‘There is no other pathway for us – no Indigenous way’; it is, Mr Pearson said, ‘just how the world works’.

The kinds of social and attitudinal changes advocated by Mr Pearson have been described as potentially inimical to certain widespread Aboriginal values and practices that ‘have not simply arisen as the consequence of colonialism or the introduction of welfare’.¹²⁷ Dr David Martin, of the Centre for Aboriginal Economic Policy Research, highlights Mr Pearson’s arguments as ‘a welcome and politically innovative contribution to a policy debate of fundamental importance’, but also states that certain of Mr Pearson’s ‘underlying assumptions need careful re-examination and further development, and that the evidence poses certain difficulties for the practical implementation of his proposals’.¹²⁸

One problematic area highlighted by Dr Martin is how change is to be implemented, particularly when Mr Pearson proposes to impose mandatory change. This issue has been discussed with reference to ‘Welfare Reform’ at Chapter 3.5, and also was raised by Ms Arabena’s concerns about Mr Pearson’s model of ‘leadership’ earlier in this chapter. Dr Martin states Mr Pearson’s ‘Agenda’ for change:

raises the question of the sources of the moral suasion and authority necessary to demand and implement social change in Aboriginal societies. Pearson proposes that these lie variously within ‘families’ and other local groups and ‘communities’. This view is challenged here, with the argument that such contemporary groupings do not have the requisite moral and political authority over individuals. If this is the case, it creates a

¹²⁶ Pearson, N, ‘On the Human Right to Misery, Mass Incarceration and Early Death’, Dr Charles Perkins Memorial Oration, University of Sydney, 25 October 2001, p7.

¹²⁷ Martin, D. F, *Is welfare dependency ‘welfare poison’? An assessment of Noel Pearson’s proposals for Aboriginal welfare reform*, CAEPR discussion paper no. 213, ACT, 2001, pvii.

¹²⁸ *ibid.*

dilemma for Pearson's scheme, for if social and attitudinal changes are necessary, whence can they be driven?

The answer may lie in the new forms of Indigenous governance and leadership which Pearson proposes. However, these would involve significant changes within the Indigenous polity, which may be beyond the capacity of Indigenous groups themselves to institute. Facilitation and support from external sources, including government, may be required. However, the involvement of government in social change would carry its own risks, since despite rhetorical support for Indigenous self-determination, government is inherently incapable of moving beyond its own dominating rationale.¹²⁹

The Committee returns to the contentious issue of representation of Indigenous people in its later report in this series on the Torres Strait.

Another example of this more rigorous examination concerns Mr Pearson's appraisal of welfare payments as 'poison' for Indigenous communities. Dr Martin points out that:

Pearson argues that the contemporary social problems faced by Cape York Aboriginal people are unprecedented in their scale, despite vastly improved material circumstances, and contrasts the current situation with that obtaining before the 1970s. Aboriginal people lived in great poverty prior to the introduction of welfare, Pearson suggests, but their societies, while under sustained attack, were 'strong, if bruised'. Yet, the social devastation of which Pearson writes so compellingly is not in fact unprecedented, in Cape York or elsewhere...

It was, precisely, the concern demonstrated in the southern cities about the appalling circumstances to which Aboriginal people had been reduced that led to the passage of The Protection of Aborigines and Prevention of the Sale of Opium Act 1897, the establishment of the missions in Cape York, and more generally to the regime of authoritarian supervision and control of Aboriginal people's lives by State officials and their missionary delegates under successive statutes. Such controls were only finally formally removed with the repeal of the Aborigines Act 1971 (Qld) in 1984...

The maintenance of order within settlement populations was a major preoccupation of State and mission authorities long before the introduction of welfare payments. Arguably, problems arose not just from hostility to the mission or settlement authorities, but from the fact that the settlement populations comprised, then as they do now, disparate Aboriginal groups forced into often uneasy co-residence in close social and geographic proximity to each other, with little capacity to resolve conflict by moving away. These settlement situations directly confronted such widely reported Aboriginal values as the strong emphasis on immediate kin group loyalties and a preference for direct confrontation, and often violence, to redress perceived wrongs. Indigenous authority structures and conflict resolution mechanisms, including those within kin groups, were eroded or suppressed under the mission and State settlement regimes. This process has been dramatically exacerbated in contemporary times, when the authoritarian regimes of the missionaries

¹²⁹ Martin, D. F, *Is welfare dependency 'welfare poison'? An assessment of Noel Pearson's proposals for Aboriginal welfare reform*, CAEPR discussion paper no. 213, ACT, 2001, ppvii-viii.

*and superintendents are no longer possible nor desirable. Indigenous organisations (such as community councils) lack the requisite legitimacy, both alcohol and the cash to purchase it are freely available, and Aboriginal authority structures have become further contested and attenuated...*¹³⁰

It appears that a key factor associated with Mr Pearson's understanding of the current dysfunction in Aboriginal communities, and the potential solutions, are his personal recollections as a young boy in Hope Vale.¹³¹ Mr Pearson wrote recently:

My home town looks and feels like a ghetto. The mango trees, frangipanis and old wooden church still evoke the mission of my early youth, but the fibro and weatherboard cottages built by the hands of our own local carpenters have been replaced by welfare housing, increasingly built by outside contractors. The uniform rows of kit homes and Besser Block houses are of course much more expensive and have better amenities (at least at first, because they do not last for long), but they look squalid. The once lovingly tended gardens with topiary, gardenias and fruit trees are scarce today, and the plastic bags, VB cans, old motor cars and general rubbish spill out of the homes and on to the streets.

With the eyes of someone who returns to his home town for holidays and occasional weekends, I marvel that the people who live here do not see the shit in front of their eyes. Despite vastly improved levels of funding and infrastructure the place is a mess compared with the village of my childhood.

*I drove past the place where my parents brought up our family in a small fibro cottage with no hot water and a pit toilet out the back. We got electricity when I was in Year 4 but I did not see television until I went to college. Now they have Austar and adults carelessly expose children and young people to their pornographic videos and DVDs.*¹³²

Elsewhere, Mr Pearson writes: *'There was nobody from my community in prison in the '70s. Today there are scores coming in and out of prison.'*¹³³

Other accounts and studies create a very different impression of the Hope Vale Mission of the 1960s and 70s. For example:

- in the early 1960s, Hope Vale was notorious for an incident in which Pastor Kernick, superintendent of the Mission, mistreated a young couple at the Mission for *'consorting'*;

¹³⁰ Martin, D. F, *Is welfare dependency 'welfare poison'? An assessment of Noel Pearson's proposals for Aboriginal welfare reform*, CAEPR discussion paper no. 213, ACT, 2001, p10.

¹³¹ The CYI website refers to Mr Pearson being born in Cooktown in June 1965, going to primary school at Hope Vale Mission where he lived with his family throughout his early years, and being sent, as a young boy, to Brisbane to attend St. Peter's Lutheran College as a boarder, where he attended until completing his matriculation: Cape York Institute, Director, Available at: <http://www.cyi.org.au/director.aspx> Accessed on 27 February 2007.

¹³² Pearson, N, 'Vale hope in outback hellhole', *The Weekend Australian*, 17-18 February 2007, p26.

¹³³ Pearson, N, 'Failure to act is also criminal', *Inquirer magazine in The Weekend Australian*, 30 December 2006, p17.

the young man was severely flogged and ordered to be sent to Palm Island, the young women had her hair cut off and was beaten on the arms and legs. The incident led to a government inquiry which found the minister's conduct '*inexcusable*' although it had initially been condoned by the then Minister for Native Affairs.¹³⁴

- Just recently eight Indigenous people who had worked on the Lutheran reserves at Hope Vale and Wujal Wujal between 1975 and 1986 successfully took legal action because they had been paid lower than award wages on a racially discriminatory basis.¹³⁵
- Although it was no longer an offence for Aboriginal people to leave the reserves without permission from the early 1970s, permits had to be obtained for individuals to be on a reserve. In 1979 the residence permit of a Hope Vale teacher was cancelled after the teacher organised a meeting between Indigenous residents and a union official without seeking prior approval from the Director of Native Affairs.¹³⁶
- With reference to the recollection that there was no-one imprisoned from Hope Vale in the 1970s, it appears that in Queensland, Aboriginal people accused of misbehaving (including such actions as requesting the withdrawal of their earnings from trust funds) could be sent to Palm Island, which was regarded as a prison.¹³⁷ In any event, no information on the Aboriginality of prisoners was released in Queensland until 1987, much later than all other States and Territories in Australia.¹³⁸
- A study of the mortality rate of Aboriginal people in Queensland reserves because of accident or violence was undertaken between 1976 and 1980. After standardisation for age and sex, the study produced '*startling*' results: the Aboriginal rate was 2.33 times the Queensland rate. When reserves which received people from other tribes and which were close to urban centres, such as Hope Vale, were distinguished from other reserves even

¹³⁴ Australian Dictionary of Biography - Online Edition, O'Shane, Gladys Dorothy (1919-1965), Available at: <http://www.adb.online.anu.edu.au/biogs/A150634b.htm> Accessed on 16 January 2007; Mr John Ah Kit, Northern Territory, Legislative Assembly, *Parliamentary Debates (Hansard)*, 12 August 2003; Dixon, R, 'Missions from God', *The Age*, 4 December 1993.

¹³⁵ *Baird v State of Queensland* [2006] Federal Court of Australia - Full Court (FCAFC) 162 (17 November 2006).

¹³⁶ Davis, M & Watson, N, "'It's the Same Old Song": Draconian Counter-Terrorism Laws and the Déjà vu of Indigenous Australians', *Borderlands e-journal*, Volume 5, No. 1 2006, Available at: http://www.borderlandsejournal.adelaide.edu.au/vol5no1_2006/daviswatson_song.htm Accessed on 17 January 2007.

¹³⁷ Royal Commission into Aboriginal Deaths in Custody, *Final Report*, Australian Government Publication Service, Canberra, 1991, Volume 2, 10.7.

¹³⁸ Biles, D & McDonald, D, Overview of the Research Program and Abstracts of Research Papers, Research Paper No.22 of the Criminology Unit of the Royal Commission into Aboriginal Deaths in Custody, p620.

more obvious differences emerged, with a death rate of 25.06 compared to 9.14 per 10,000 for the other communities.¹³⁹

Interestingly too, Mr Gerhardt Pearson's recollection of Hope Vale, which was run by the Lutherans until 1986, is different to his brother's. In 2003 he was reported as referring to the incident of the flogging of the young man referred to previously and to the exiling of a number of young men to Palm Island for accidentally starting a bush fire. He continues that he:

*remembers children getting the strap for using their own language at school: 'You had to say your prayers before kids were taught to speak the language. Crucial parts of the culture were lost.'... 'The emphasis at the mission was doing everything for God, for Jesus, for the church. Every morning, up until 1986, the Aboriginal workforce would come up here and line up outside the butcher's shop and the mission pastor would stand up and go through a little prayer service. It was that kind of atmosphere', says Pearson. But he believes it backfired. Now only the elder people are strong on religion. 'You don't make people do things.'*¹⁴⁰

¹³⁹ Wilson, P, *Black death, white hands*, George Allen & Unwin, North Sydney, NSW, 1982, pp72-73.

¹⁴⁰ Dixon, R, 'Missions from God', *The Age*, 4 December 1993, p3.

CHAPTER 6 FINANCIAL ARRANGEMENTS

6.1 Funding the 'Agenda'

In her 2005 discussion paper *Not fit for modern Australian society*, Ms Arabena wrote:

Noel Pearson has had an incredible influence over the policy direction and actions of this [Commonwealth] Government. His assertions have had a major impact with the majority of his contentions evolving into the policy frameworks of the new arrangements in Indigenous affairs.

Unfortunately, Noel's assertions have also made him 'peerless'. The Government's use of his name as a 'brand' or as a 'product endorser' of their Indigenous affairs agenda has not endeared him to other Indigenous leaders, nor has there been an evaluation of the success of the work that has been developed in Cape York or whether these approaches can be translated outside of that specific context. Pearson's influence in the Government's plan to assist Indigenous people to make a transition from dependence to independence cannot be underestimated. It remains to be seen whether the bureaucracies, services and the individuals in communities can facilitate the solutions necessary to assist all people living in rural and remote communities to participate in a real economy.¹⁴¹

Ms Arabena cites the example of the Commonwealth government's support of Mr Pearson's advocacy of 'orbits' by which the young people of Cape York become mobile to access education as significant.

The new arrangements has identified and quarantined funds to facilitate these activities including:

- *Remote Indigenous Students - tutorial support for students leaving their communities - \$8.7 million over four years;*
- *Indigenous youth leadership \$11.9 million dollars over four years;*
- *Indigenous Youth mobility allowance \$16.1 million over four years;*
- *Improving school attendance in remote communities (No School no Pool Programs) - \$5.0 in 2004 – 05;*
- *Developing a twenty to thirty year vision - \$2.0 in 2005/ 06.¹⁴²*

¹⁴¹ Arabena, K, *Not fit for modern society: Aboriginal and Torres Strait Islander people and the new arrangements for the administration of Indigenous Affairs*, Australian Institute of Aboriginal and Torres Strait Islander Studies (AITSI), Canberra, 2005, p24.

¹⁴² *ibid*, pp23-24.

These funds, combined with other program monies totals \$543.1 million allocated to the Education and Training of Indigenous people, predominantly target the increased mobility of young people in rural and remote area communities.

The Social Justice Commissioner has also been reported as stating that the Commonwealth:

had been funding organisations - including Mr Pearson's Cape York Institute - with no demonstrable results.

'These people have been generously funded to work on projects, but there has been no demonstration of them applying this at a community level', Mr Calma said.¹⁴³

Even those who support the Cape York Agenda, such as Mr Pearson's brother Mr Gerhardt Pearson, Chairman of Balkanu amongst other roles, notes the ready access that the Cape York organisations have to funding:

I think that our organisations in Cape York Peninsula find it much easier to access funding than organisations in other regions.¹⁴⁴

This chapter examines in more detail the funding which has been made available to the Cape York organisations.

6.2 The various sources

In addition to the support of philanthropic organisations such as the Meyer and the Glencoe Foundations, of business organisations such as the Boston Consulting Group and Westpac, the Cape York organisations do appear to receive substantial government funding from both State and Commonwealth governments, including as a result of the COAG trials, with the selection of Cape York as the Queensland trial site.

According to the recent *Review of the Cape York COAG Trial Final Report*:

Cape York was originally chosen as the COAG Trial site in Queensland because of its large Indigenous population and because a number of significant and innovative activities were already occurring there – for example initiatives involving the organisation Cape York Partnerships (CYP). On the Cape, it was said, there was thus 'something to build on'.

...Given the range of innovative government, community and private sector activity taking place in the Cape York region over recent years, the Cape was (as one stakeholder described it) 'a crowded playing field'. In the words of another observer, the COAG Trial on the Cape was 'not the main game'.¹⁴⁵

¹⁴³ Karvelas, P, 'Pearson "playing to the white crowd"', *The Australian*, 20 February 2007, p5.

¹⁴⁴ Pearson, G, 'Dinner Speech', Gladstone Conference, 8 June 2006, p8.

¹⁴⁵ Urbis Keys Young, Review of the Cape York COAG Trial Final Report, 2006, p4.

One of the key State initiatives was the Meeting Challenges Making Choices (MCMC) strategy developed in response to what became known as Justice Tony Fitzgerald's *Cape York Justice Study Report* of 2001, which emphasised the misuse of alcohol in the Cape communities. The MCMC strategy was designed to improve conditions in the communities and to establish more effective relationships - partnerships - between the communities and State agencies.¹⁴⁶ The strategy applies to 17 communities,¹⁴⁷ 13 of which are within Cape York. The COAG evaluation report refers to the Queensland government's significant investment in MCMC and related policies, including:

- some **\$13.5 million** in MCMC funding over four years;
- the Partnerships Queensland Incentive Pool - **\$5 million** over two years;
- Indigenous health package - **\$69 million** over four years;
- Alcohol Demand Reduction program - **\$12 million** over four years (plus **\$2 million** from the Commonwealth);
- Indigenous child safety - **\$31 million** over three years;
- significant funding for Balkanu Cape York Development Corporation and other economic and enterprise;
- development projects;
- Nurturing Families initiative - **\$1 million**; and
- **\$1 million** in additional support for the operation of Community Justice Groups.¹⁴⁸

After the selection of Cape York as the COAG Trial site:

the Australian and Queensland Governments decided jointly to work with Cape York regional organisations (in particular Cape York Partnerships), which had played an active role in support of alcohol management initiatives and which were developing other innovative approaches designs to address issues of welfare dependency, in the context of the COAG Trial, the Australian government agreed to share with Queensland the cost of funding work of CYP.

... DEWR and OPIC also funded CYP to develop and implement a Work Placement Scheme that is designed to provide Cape York young people with 'real life' work experience in the fruit picking industry in Victoria and South Australia, together with intensive job-seeking assistance when they return home.

¹⁴⁶ Urbis Keys Young, Review of the Cape York COAG Trial Final Report, 2006, p5.

¹⁴⁷ *ibid*, p6.

¹⁴⁸ *ibid*, p8.

*The COAG Trial also provided the opportunity for Indigenous Enterprise Partnerships (IEP) to approach the Australian Government with a view to co-operating in various activities such as the support for establishment of Indigenous Business enterprises. Through OPIC the Australian Government continues to provide some funding for IEP's Cape York activities.*¹⁴⁹

An additional \$7 million was allocated to Cape York as a result of the COAG Trial and included financial support for various 'Cape York Agenda' initiatives referred to previously in this Report (see Chapter 3):

- DEWR support and promotion of Balkanu's Cape York Digital Network, and the funding of a marketing position;¹⁵⁰
- DEWR and the Commonwealth Department of Families, Communities and Indigenous Affairs (FaCSIA) funding of the Cape York Partnership's Family Income Management project in Hope Vale, Arukun, Coen and Mossman Gorge;¹⁵¹
- DEWR funding of an initiative to improve accounting services in the Cape, through the Cape York Institute's Cape York Accounting Service Solutions;¹⁵²
- DEWR's three-year commitment of funding to Balknau;
- DEWR support of the Steering Committee for Apunipima's study of health issues in Cape York; and
- DEWR support of a cruise boat initiative in Arukun, with Balkanu.¹⁵³

It is of interest to note also that DEWR's costs in administering the \$7 million Cape York COAG Trial totalled some \$2 million over the three years.¹⁵⁴

Prior to the COAG trial, Justice Fitzgerald attempted to 'map the range of Government programs and funding streams in Cape York Indigenous communities' in his *Cape York Justice Study Report*.¹⁵⁵ He found that:

Significant funds are directed towards programs and projects in Cape York Remote Indigenous Communities. A conservative total of State/Commonwealth money (to avoid

¹⁴⁹ Urbis Keys Young, Review of the Cape York COAG Trial Final Report, 2006, pp23-24.

¹⁵⁰ Refer to Chapter 3.7.

¹⁵¹ Refer to Chapter 3.8.

¹⁵² Cape York Institute for Policy & Leadership, *Annual Report - 2004/5*, p22.

¹⁵³ Urbis Keys Young, *Review of the Cape York COAG Trial Final Report*, 2006, pp21-23.

¹⁵⁴ Senate *Hansard*, Questions on Notice, 6 November 2006, p260.

¹⁵⁵ Fitzgerald, T, *Cape York Justice Study Report (Advanced Copy)*, 2001, Volume 2, p210.

double counting) would be in the vicinity of \$120 million per year, plus teachers' salaries estimated at \$8.2 million.¹⁵⁶ ... There appears to be little coordination in planning such funding...

Discussions with agencies during this Study confirmed that there was paucity of program evaluation data directed to specific communities... The sums [relating to the revenue available to specific communities] are considerable, but they must be considered in the context of the current conditions of communities. In a context where major indicators of wellbeing such as morbidity, mortality, injury, school attendance, literacy, drug and alcohol dependence and crime are in most cases not progressing but going backwards, there is ample opportunity to direct funds in more focussed and coordinated ways to desired human and social outcomes, and to ensure that any new initiatives are evaluated at appropriate intervals to ensure progressive improvement in funding allocation to initiatives producing the most beneficial outcomes.¹⁵⁷

It continues to be difficult to access collated data on Indigenous funding in Cape York, and elsewhere. Published data on the government funding that has been made available to the Cape York organisations in recent years, apparently including the COAG Trial monies, refer to:

- **\$3 million** over 2005/6 and 2006/7 for the Welfare Reform Project from the Commonwealth government¹⁵⁸ 'in addition to Queensland government support'.¹⁵⁹
- Cape York Digital Network, funded out of Federal Indigenous monies since 2001 when **\$5.2 million** was allocated to Balkanu with the project expected to be completed by 2006/7.¹⁶⁰
- Family Income Management in Cape York with a Federal commitment of **\$16.6 million over four years**.¹⁶¹

¹⁵⁶ According to Mr Pearson, **\$34 million** was spent on education in the Cape in 2004 although only 6 per cent of students would complete Year 12 (ABC News Online, 'City boarding suggested for Cape Indigenous students', Available at: <http://www.abc.net.au/news/Australia/qld/cairns/200410/s1231373.htm>).

¹⁵⁷ Fitzgerald, T, *Cape York Justice Study Report* (Advanced Copy), 2001, Volume 2, p222.

¹⁵⁸ Minister for Families, Community Services and Indigenous Affairs, 'Budget 2006 Strengthening Indigenous Communities, Families, Community Services and Indigenous Affairs, Cape York Institute welfare reform project'.

¹⁵⁹ Cape York Institute for Policy and Leadership, 'Welfare News - Welfare Reform Project kicks off community engagement', Available at: <http://www.cyi.org.au/print.aspx?article=IYQ7REKX7GOT3W5J77NX> Accessed on 20 October 2006.

¹⁶⁰ Cape York Partnerships, 'Cape Communities Win on Communications', Available at: <http://www.capeyorkpartnerships.com/media/releases/cydn-3-7-01.htm> Accessed on 19 September 2006.

¹⁶¹ Minister for Families, Community Services and Indigenous Affairs, 'Budget 2006 Indigenous Affairs Strengthening Indigenous Communities, Families, Community Services and Indigenous Affairs, Extending Family Income Management and improving family payment outcomes for Indigenous children'.

- A Federal health funding increase for the Torres Strait and Northern Peninsula Area of 42 per cent, to a total Commonwealth investment in health and aged care in the region for 2006/7 to **\$5.6 million**.¹⁶²
- An announcement in July 2006 that the Queensland government would provide **\$5.5 million** over the next four years to assist Indigenous students from Cape York attend schools away from their communities.¹⁶³
- In addition to ‘*program/projects income*’, Queensland government funding of **\$1,250,000** and Commonwealth funding of **\$1,400,000** for the Cape York Institute for Policy and Leadership during 2004 and 2005.¹⁶⁴

To gain an idea of the relative value of this funding, it is interesting to consider the Indigenous population in the Cape Peninsula. Although the ABS figures have been subject to academic challenge, the higher figure proposed was just 6,500 persons in 1996, projected to remain under 8,000 by 2006.¹⁶⁵ In contrast, the estimated Aboriginal population in the Kimberley in 2005 was over 16,000.¹⁶⁶

Given the earlier *Cape York Justice Study Report* findings, it would have seemed essential for any new funding in the Cape York region to be focussed, coordinated and evaluated, to ensure funding was allocated ‘*to initiatives producing the most beneficial outcomes*’.¹⁶⁷

This does not appear to have been the case. It is now asserted that the COAG trials were not ‘*primarily about priorities and issues in [trial site] communities*’ and nor were they expected to ‘*achieve significant change in the complex issues for Indigenous communities, families and individuals*’.¹⁶⁸ This is the general context in which, as indicated, the Cape York Institute for

¹⁶² Minister for Health and Aging, ‘Media Release New Steps to improve Indigenous health in far north Queensland’, 26 July 2006.

¹⁶³ Department of Education, Training and the Arts, ‘Education Views, New approach to Indigenous education in Cape York, Vol.15, No. 13, July 21, 2006’ Available at: <http://education.qld.gov.au/marketing/publication/edviews/html/art-2006-13-04.html> Accessed on 30 March 2007.

¹⁶⁴ Cape York Institute for Policy and Leadership, *Annual Report 2004/5*, p29.

¹⁶⁵ Taylor, J & Bell, M, *The Indigenous population of Cape York Peninsula, 2001-2016*, Centre for Aboriginal Economic Policy Research, ACT, Discussion Paper No. 227, 2002.

¹⁶⁶ Kimberley Development Commission, ‘Population’, Available at: http://www.kdc.wa.gov.au/Kimberley/tk_econ_pop.asp Accessed on 11 April 2007. The figure is based on Estimated Resident Population of Kimberley in 2005 and the proportion of the Region’s population who were Indigenous as estimated by the ABS for the 2001 Census.

¹⁶⁷ Fitzgerald, T, *Cape York Justice Study Report (Advanced Copy)*, 2001, Volume 2, p222.

¹⁶⁸ Morgan Disney & Associates et al, *Synopsis Review of the COAG Trial Evaluations: Report to the Office of Indigenous Policy Coordination*, 2006, p23. The *Synopsis Review* is discussed in more detail in the Committee’s previous Report No6, at pp52, 53.

Policy and Leadership was described by one of the Cape York COAG Trial's stakeholders as '*one of the most successful initiatives of the COAG Trial*'.¹⁶⁹ As also indicated by this Report, although the '*Cape York Agenda*' and the related initiatives have undoubtedly been influential, it is difficult to identify in most instances any other basis upon which its success can so categorically be asserted. In any event, Mr Pearson assessed the COAG trials as '*a failure*'.¹⁷⁰

¹⁶⁹ Urbis Keys Young, *Review of the Cape York COAG Trial Final Report*, 2006, p23. Interestingly, however, Mr Noel Pearson described the COAG Trails as a '*failure*' (Pearson, N, 'Give us help to help ourselves', *The Australian*, 17 March 2007, p28).

¹⁷⁰ Pearson, N, 'Give us help to help ourselves', *The Australian*, 17 March 2007, p28.

CHAPTER 7 CONCLUSION

*The end goal of the Cape York Agenda can ... be expressed as seeking to ensure that Cape York people have the capabilities to choose a life that they have reason to value.*¹⁷¹

Given the long history of government failure in Aboriginal affairs, outlined in the Committee's previous Report No. 6, *Where from? Where to? A Discussion Paper on Remote Aboriginal Communities*, the dedication and courage of those, such as Mr Noel Pearson and others associated with seeking to implement the vision of the 'Cape York Agenda', should not be undervalued.

The 'Cape York Agenda' has been embraced by many who see it as altering public policy on Indigenous issues in Australia, most significantly by raising the expectations for, and of, Aboriginal people, whether relating to education, substance abuse or personal responsibility. As Mr Pearson's brother, Mr Gerhardt Pearson, refers to it, the:

question is the difficult issue of what expectations governments and Non-Indigenous Australians have of we Indigenous Australians. This is perhaps the most pressing issue for reconciliation. When formal discrimination or colonisation has been removed, there is an insidious threat facing peoples in our situation.

*The self-fulfilling prophesy of low expectations.*¹⁷²

In discussions with the Committee, however, critics of the 'Cape York Agenda' identified its associated Indigenous organisations as forming another layer of bureaucracy within the Cape. It is, they claim, a 'bureaucracy' which itself appears highly dependant upon government funding, although insisting its Indigenous constituents engage with the 'real economy'. Moreover, they claim, its initiatives remain untested in terms of producing beneficial outcomes for the people of Cape York.

The contribution of Mr Pearson and the 'Cape York Agenda' cannot be easily categorised. Those who question Mr Pearson and the 'Cape York Agenda' write of his ideas as 'stimulating and challenging'.¹⁷³ Others who frequently have championed Mr Pearson's initiatives have cautioned:

*For the past six years Pearson has been increasingly influential in the counsels of the federal Government and has helped set the indigenous affairs agenda. ... However, there have been signs in his recent media appearances ... that Pearson may be drifting back to the politics of his firebrand years.*¹⁷⁴

¹⁷¹ Pearson, N, *The Cape York Agenda*, Cape York Institute for Policy and Leadership, Cairns, 2005, p2.

¹⁷² Pearson, G, 'Dinner Speech', Gladstone Conference, 8 June 2006, p5.

¹⁷³ Altman, J. C, 'Foreword', in Martin, D F, *Is welfare dependency 'welfare poison'? An assessment of Noel Pearson's proposals for Aboriginal welfare reform*, CAEPR discussion paper no. 213, ACT, 2001, piii.

¹⁷⁴ Pearson, C, 'Beware of a relapse, Noel', *The Weekend Australian*, 1-2 July 2006, p28.

The Committee itself had only intended to visit Cape York to obtain background for its inquiry, but, as indicated, was so impressed by the Cape York Partnership's Family Income Management project that this initiative will be the subject of a future report in this series on successful initiatives in remote Aboriginal communities.

There is no doubt that Mr Pearson's substantial and complex contribution to current public policy on Indigenous affairs deserves acknowledgement. Whatever final assessment is made, there can also be no doubt that Mr Noel Pearson and the '*Cape York Agenda*' have exerted a remarkable influence over the policy direction in Indigenous affairs in recent years. The radical re-thinking of government approaches to addressing Indigenous disadvantage has been significantly shaped by Mr Pearson's contribution to public discourse on these issues.

The Committee hopes that this Report documents something of that contribution, and promotes an active and informed consideration of how best to address what is one of Australia's most pressing public policy issues of our time.

APPENDIX ONE

BRIEFINGS HELD

Date	Name	Position	Organisation
13 Nov 2006	Mr Jason O'Brien	Member for Cook	
13 Nov 2006	Mr Tim Jaffer Ms Catherine McWatters Mr Milton James	Chief Executive Officer Implementation Manager Director, Work Placement Scheme	Cape York Partnerships
13 Nov 2006	Mr Mathew Gibson Mr Gerald Nandy Ms Emma Burchill Ms Roberta Henning Mr Wayne Beale Ms Donna Henning Mr Roger Pugh Mr Tim Jaffer	Chairperson Vice-Chairperson Member Family Income Management Family Income Management Individual/Family Engagement Leadership Engagement Chief Executive Officer	Bamanga Bubu Ngadimunku Bamanga Bubu Ngadimunku Bamanga Bubu Ngadimunku Cape York Partnerships
15 Nov 2006	Ms Megan Irving Mr Gavin Bassani	Family Income Management Resource Worker Deputy Chief Executive Officer	Coen Regional Aboriginal Corporation
15 Nov 2006	Mr Alan Creek	Community Development	Coen District Welfare Reform Project

EDUCATION AND HEALTH STANDING COMMITTEE

Date	Name	Position	Organisation
15 Nov 2006 (cont.)	Mr Bruce McPherson	Leadership Development	Coen District Welfare Reform Project

APPENDIX TWO

LEGISLATION

List of Legislation (or other relevant information) used in the inquiry.

Legislation	State (or Country)
Aboriginal Councils and Associations Act 1976	Commonwealth
Aboriginal Land Act 1991	Queensland
Community Services (Aborigines) Act 1984	Queensland
Local Government Act 2004	Queensland
Wild Rivers Act 2005	Queensland