

# 6. Mainstreaming Indigenous Service Delivery

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From 1988 until 2004, the policy framework for indigenous affairs in and beyond remote Australia marched to a different drumbeat. In this period there was an effort, via the Aboriginal and Torres Strait Islander Commission (ATSIC), to build a separate structure which both redressed indigenous disadvantage and created a context for Indigenous voice and engagement. ATSIC had been established in 1987. By the time of the election of the Howard government (1996) ATSIC's achievements had been increasingly overwhelmed in public and indigenous perceptions by its failings. Following an enquiry, which recommended a contrary course, and not without substantial controversy, ATSIC was abolished in 2004 (Hannaford, Huggins and Collins, 2003; also submissions from W. Gray and W. Sanders: the report and these submissions all recommended a re-structured organisation). Abolition received bipartisan support. Thereafter policy was 'mainstreamed' with responsibility for ATSIC programmes distributed relevant line departments.

The abolition of ATSIC was accompanied by a new governance structure. This involved at least three elements: the development of strategic capacity and focus within the Commonwealth government; the development of federal-state machinery; and the establishment of new on-the-ground delivery arrangements. These are briefly considered.

*Strategic leadership by the federal government:*

In March 2000, in an endeavour to impart a more positive orientation to indigenous policy, the Howard government espoused what it labelled 'practical reconciliation'. This explicitly acknowledged the leadership role of the national government.<sup>17</sup> It aimed to improve conditions on the ground in relation to health, housing, education and health.

In 2001, the Howard government invited the Commonwealth Grants Commission (CGC) to undertake a comprehensive review of gaps in indigenous access to services and of funding arrangements. A decade later, without significant gain in outcomes, it is salutary to recall the core points of this report:

'The social economic and cultural circumstances of Indigenous Australians differ greatly between urban, regional and remote locations. The services provided....how they are provided and the costs of providing them differ with location.

Mainstream programs do not adequately meet the needs of Indigenous people because of barriers to access. These barriers include the way programmes are designed, how they are funded, how they are presented and their costs to users.

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<sup>17</sup> Grattan, M. 'Howard practices a sorry argument', *Sydney Morning Herald*, 30 March 2000, p. 8.

In all regions, across all functional areas examined in our enquiry Indigenous people experience entrenched levels of disadvantage compared to non-Indigenous people.

It is clear from all available evidence that mainstream services do not meet the needs of Indigenous people.

It should be expected that their use of mainstream services would be at greater levels than those of non-Indigenous Australians. This is not the case. Indigenous Australians access mainstream services at much lower rates than non-Indigenous people.

Some essential features (of program development) include....Indigenous control of, or strong influence over, service delivery expenditure and regional and local service delivery arrangements that emphasise community development, inter-agency cooperation and ' general effectiveness.'

The CGC noted that mainstream services are mostly planned and delivered to meet the requirements of the most common users and do not allow for the extreme disadvantage and special needs of Indigenous people, a point echoed in other analyses. For example: Dillon and Westbury conclude: 'Program design is invariably undertaken centrally and given the relatively small size of niche programs; "one-size-fits-all" approaches are inevitable' (p. 69)

In 2002, joined-up government was launched with trial at eight indigenous sites. In May 2004, following the abolition of ATSIC, the government established a Ministerial Taskforce on Indigenous Issues. The idea was to create a Cabinet level committee to drive the 'practical reconciliation' process.<sup>18</sup> This was supported by a Secretaries Group which was designed to coordinate implementation. To continue Indigenous representation, a new nominated National Indigenous Council was also established. At an administrative level, an Office of Indigenous Policy Coordination was also established, first in DIMIA and later in FaCSIA.

Meantime, programs formerly administered by ATSIC were transferred to mainstream departments with the employment program (CDEP - \$574 million in 2006-07 budget) transferred to DEWR and the housing program (CHIP - \$292 million) transferred to FaCSIA. Program development was to be informed by three priority themes: early childhood intervention, safer communities, and building indigenous wealth, employment and an entrepreneurial culture.

To effect change at the local level, *Shared Responsibility Agreements* (SRAs) were to be signed covering particular measures. In addition, to build coordinated action these were to be backed by *Regional Partnership Agreements* (RPAs). By 2007, 180 SRAs and 3 RPAs had been signed. These are detailed in an Australian National Audit Office (ANAO)

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<sup>18</sup> Ministerial Taskforce on Indigenous Affairs available at <http://www.atns.net.au/agreement.asp?entityID=2330>

evaluation (2009). Indicating the importance of mainstream programs, these arrangements represented a very small proportion of the overall budget which then stood at \$3.5 billion. Likewise, in 2006-07 only \$75 million over 4 years was committed by eight government departments for SRAs in a total indigenous budget of around \$3 billion. (Hunt, 2007, p. 163).

To implement these arrangements, thirty multi-agency Indigenous Coordinating Centres (ICCs) were established in urban, rural and remote Australia. By 2006, some 562 staff members were assigned to ICCs (approx 19 staff per centre). They assumed three main roles: program administration; solution brokering to provide a bridge between community needs and departmental programs; and developing SRAs with local communities. ICC managers were the key.

Meantime, in June 2006, a Summit on domestic violence and child abuse in indigenous communities was convened. This included representatives of state and federal governments. The participants agreed to examine a range of proposals, including 'a greater role for a network of Aboriginal seniors'.<sup>19</sup> These recommendations were discussed at a COAG meeting in July. In December, the federal minister released his blueprint for action. Its three key points were the same as those announced in May 2004: early childhood intervention, safer communities, and building an entrepreneurial culture.

In June 2007, five months before an anticipated election, the report, *Little Children are Sacred*, was published. It documented distressing levels of child sexual abuse. Its release was accompanied by much media fanfare. Six days later the federal government announced its emergency intervention, the Northern Territory Emergency Response (NTER). It described the level of child sexual abuse as a national emergency.<sup>20</sup> As noted earlier, this response effectively repudiated processes and approaches that had been unfolding over the previous seven years.

In 2008, after defeat of the Howard government, the NTER was reviewed (2009) and the government subsequently modified its operation in a number of areas. Emphasis returned to community consultations and the ICC process.

*Federal-State Collaboration:* Commonwealth-State collaboration in Indigenous affairs commenced in 1992 when the newly established Council of Australian Governments (COAG) adopted a 'National Commitment to Improved Outcomes for Indigenous People'. This was lifted to a new level in November 2000 when COAG adopted a *Framework to Advance Aboriginal Reconciliation*. In April 2002, COAG endorsed the whole-of-government trials, which were discussed previously. This approach was continued by the Rudd government. Its election in 2007 was followed by a renewed commitment to Indigenous development with COAG as the primary platform for national policy development.

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<sup>19</sup> Larissa Behrendt, Indigenous Policy: law and order is only part of the solution, Australian Policy Online, 3 July 2006, accessed at [www.apo.org.au](http://www.apo.org.au)

<sup>20</sup> See FaCSIA media release 21 June 2007

In 2008, COAG agreed to six ambitious targets to ‘close the gap’:

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

Government efforts were focused on seven building blocks or ‘strategic areas for action’: early childhood, schooling, health, economic participation, healthy homes, safe communities; governance and leadership – the latter involving Indigenous communities not the wider governance system that was to deliver on these goals. These building blocks have become the focus of the Productivity Commissions biannual assessment and also of the (briefer) annual report by the Prime Minister (e.g. Prime Minister, 2011). We will see later in the discussion of strategic policy making that the theory of development, implicit in this framing, is not uncontested (Chapter 9, on page 99). We will also see that this was introduced without any engagements with its nominal subjects.

There is also an intergovernmental agreement covering indigenous development (*National Indigenous Reform Agreement – Closing the Gap, 2009*) In addition, there are National Partnership Agreements covering inter-governmental collaboration in the following indigenous areas: Remote Service Delivery, Economic Participation, Health Outcomes, Early Childhood Development, Remote Housing, Remote Public Internet Access. This elaborate framework, which constitutes the primary governmental strategic design for ‘closing the gap’, continues to evolve.

In 2010, the *Indigenous Expenditure Review Group* published its first report on expenditure on indigenous services. This sought to establish a consolidated figure based on three components: the costs of targeted services; estimated expenditure based on the direct use of services (education, health etc); and indirect expenditure based on relative population shares. Whilst conceptually clear, in practice these last two calculations proved much harder to derive. The report estimates total indigenous expenditure at \$21.9 billion or 5.3% of total general government expenditure. Estimated expenditure per head was just over \$40 000 for Indigenous Australians compared to just over \$18 000 for non-Indigenous citizens. The report notes the differences is due to three factors – more intensive use of mainstream services because of higher levels of disadvantage, the provision of indigenous specific services and the difference in the cost of providing mainstream services.

Note the aggregated nature of these calculations. The data is also reported by state. But no other levels of disaggregation are reported. For example, there is no distinction between regions. These assessments may be relevant to later discussion of a potential additional role for the Commonwealth Grants Commission.

*Outcomes:*

Evaluations of outcomes are now comprehensive and periodic. For example, already in 2011, two comprehensive documents have been presented: the 750 page biannual Productivity Commission report and the Prime Ministers Annual Report to Parliament (Prime Minister 2011). Both documents use as fundamental points of reference the closing the gaps headings and targets. Their appropriateness is discussed in a later Paper (Chapter 9, on page 84). In the Productivity Commission report results are presented against 37 specific sub-targets. These are proxies for broader objectives adopted by COAG. They also implicitly suggest a causal structure although the systemic links between the various principal outcomes are not explored. For example, employment outcomes are not prioritised. They are co-equal with health, educational, security and housing outcomes. This causal assumption might be questioned.

The data is mostly also presented in aggregate or at least state-based terms. Despite repeated acknowledgement of the extent to which circumstances vary by location, it is not disaggregated by region.

Outcomes have barely changed. From a seven year vantage point, it is equally hard to see how mainstreaming has improved the circumstances of people who live in remote communities. The array of indicators (now 12 prime and more than 37 secondary measures) shows marginal gains in an absolute sense in only three indicators and, when measured relatively against parallel changes in outcomes for the non indigenous population, backward movements in every single case. According to the 2011 review, outcomes have improved in relation to life expectancy and young child mortality; the gap has increased in relation to disability and chronic diseases and child abuse and neglect; and there is no change in relation to most of the rest including employment, post-secondary education, household and individual income, family and community violence, reading etc.

*Conclusion:*

This section has reviewed the various elements involved in the 'mainstreaming' of Indigenous service delivery. In the process the governance system has been reconfigured. An overall strategic framework, focusing on closing the gaps between Indigenous and other Australians in average outcomes in seven socio-economic dimensions has been established. This strategic framework has been endorsed by COAG and hence has attracted the support of both federal and state governments. Implementation has been reworked. Thirty-four Indigenous Coordination Centres have been established with a brief to broker programs into local regions and to bundle programs at the local level. Joint Responsibility Agreements, Strategic Results Agreements and Local Investment Plans have all been introduced to support these organisational initiatives. Finally, an elaborate

reporting and evaluation structure has been put in place. How effective is this suite of governance measures on-the-ground?