



Improving employment outcomes in remote Australia

Speech to Criterion Conference: Indigenous Employment - Creating sustainable jobs in remote & regional Australia by Nyunggai Warren Mundine

20 May 2014

It's good to be here to speak on employment and economic and commercial development in remote Indigenous communities.

It's a week since the Treasurer announced the Budget and I think it's fitting I start by sharing my thoughts on the Budget and what it means for Indigenous affairs. I believe the Government's new policy and approach for Indigenous affairs provides real opportunities for remote Indigenous communities.

In an article last month I predicted the Budget would be tough and that spending on Indigenous programs wouldn't be immune from the Budget repair.

The Budget contained a 4.5% reduction in the Indigenous affairs portfolio. This was actually less than I had expected. The Indigenous Advisory Council proposed to Government that it retain the totality of the Indigenous affairs budget but refocus spending to eliminate inefficiencies and improve delivery. In the end the Government felt a reduction in the total budget was necessary but has preserved 95.5% of the budget which still provides substantial scope for reinvestment and refocus.

Since before the election the Coalition has been saying it wants to overhaul the approach to Indigenous affairs and that it would change current policy to one focused on efficient delivery of outcomes in education, employment and making communities safer.

Since the announcement of my appointment as Chair of the Indigenous Advisory Council I've been speaking and writing about my expectations and vision for Indigenous affairs policy under this Government.

I have said that policy must be tied to real, measurable outcomes, not just activities; that policy be structured through a commercial and economic lens.

About NyunggaBlack

NyunggaBlack provides strategic business advice drawing on broad networks and expertise to help clients solve problems and grow their businesses in specific sectors.

Our consulting services focus on Native Title, Employment and Mining and Energy and also on how clients can ensure their Reconciliation Action Plans deliver real outcomes as well as business growth.

NyunggaBlack also works in partnership with key clients to deliver managed service business opportunities for commercial and economic opportunities in Aboriginal communities and for Aboriginal & Torres Strait Islander people.

I have also said we must challenge the way we have always done things because the way we have always done things has not delivered the results needed to improve the socio-economic standing of Indigenous people.

The members of the Indigenous Advisory Council are people with experience working in business and with Indigenous communities. They want to see real change and real results. They also understand that making transformative change is hard.

Indigenous affairs policy must be tied to real, measurable outcomes, not just activities and structured through a commercial and economic lens. We must challenge the way we have always done things because the way we have always done things has not delivered the results needed.

Humans struggle with change and the uncertainty it brings. As the Government implements this new policy there will be more change and people will find the process difficult.

But we also know there is immense frustration out there amongst Indigenous people with the slow pace of change to close the gap and the fact that far too much money ends up funding bureaucracy, duplication, red tape and waste.

My focus, and that of the Indigenous Advisory Council, is to turn budget cuts into an opportunity to properly reform Indigenous affairs once and for all. Because, despite thousands of programs across Australia to eliminate Indigenous disadvantage, very little is changing. Money is spent but outcomes aren't realised or move too slowly.

This Government's policy on Indigenous affairs can be summed up very simply: deliver outcomes jobs, education and making communities safer. These are the three outcome areas endorsed by the Council and the three pillars on which the Government's Indigenous Advancement Strategy is built.

The Indigenous Advancement Strategy will be administered through five program areas run out of the Department of Prime Minister & Cabinet:

- Jobs, Land and the Economy – getting adults into work, fostering Indigenous business and assisting Indigenous people to generate economic and social benefits from effective use of their land, particularly in remote areas.
- Children and Schooling – getting children to school, improving education outcomes and supporting families to give children a good start in life.
- Safety and Wellbeing – ensuring Indigenous people enjoy similar levels of physical, emotional and social wellbeing enjoyed by other Australians
- Culture and Capability – supporting Indigenous people to maintain culture and participate equally in economic and social life and ensure Indigenous organisations are capable of delivering quality services
- Remote Australia Strategies - strategic investment in local, flexible solutions based on communities priorities and remote housing and infrastructure.

Previously, Indigenous policy was administered through 150 areas run out of 8 different agencies. So this will be reduced to 5 areas run out of one Department.

This consolidation will deliver \$534 million in savings. Minister Scullion has told the Senate that most of these savings will come from cutting red tape and bureaucracy. He has described the current administration structure as a bureaucratic mess.

I don't doubt this. Just try to imagine what having 150 different program areas run out of 8 agencies means in practice. Imagine the reporting. Imagine the meetings. Imagine the duplication that must be occurring. Imagine the amount of time and effort these agencies and program areas spend dealing with each other. Imagine the coordination required.

I urge every organisation with a current funding agreement to identify how they are delivering outcomes in jobs, education and making communities safer. How many people have they got into jobs? How do they foster Indigenous business? How many children are they getting to school? How are they improving education outcomes? How are they improving wellbeing? And so on.

The Council welcomes the new Indigenous Advancement Strategy and the \$4.8 billion investment the Government will make into this Strategy over the next four years. We believe the Strategy is a real opportunity to better target spending, focus on outcomes, and ensure better delivery on the ground in the key areas of education, jobs and making communities safer. The Council's focus will be to continue to push for required savings to be found through reducing costs of administration.

The Council wants the Government to eliminate waste, duplication and inefficiencies. The Council doesn't want the Government to fund programs that aren't delivering. So we are encouraged by the design of the new Strategy and will continue to provide advice on its implementation.

The Strategy will begin on 1 July 2014. To enable a smooth transition the Government will honour all current funding agreements and those organisations and service providers whose funding agreements are expiring soon have been offered 6 or 12 months extensions. Around 1300 providers of indigenous services will receive these extensions.

During this transition period I urge every organisation with a current funding agreement to identify how they are delivering outcomes in jobs, education and making communities safer. How many people have they got into jobs? How do they foster Indigenous business? How many children are they getting to school? How are they improving education outcomes? How are they improving wellbeing? And so on.

And I want to be very clear here. It's not a good enough answer to point to the organisation's policies or objectives or the meetings or conferences people have attended or the publications or information they have published. They need to be pointing to the results and outcomes on the ground for Indigenous people.

The new Strategy has a much more targeted focus. Initiatives and programs that sit outside the Strategy are unlikely to get new funding, even if they're meeting their targets.

I want people to be prepared for that. It's not just about thinking you have a perfect program achieving results so it won't be cut. Federal money will not be applied to initiatives and organisations which don't further the Strategy.

The Strategy will be supported by a new Remote Community Advancement Network accountable for delivering results on the ground. It will engage directly with communities to identify and implement local solutions. Its Director and Deputy Director will have KPIs linked to measurable outcomes in things like school attendance, employment and economic outcomes.

The Indigenous Advancement Strategy presents real opportunities for employment and economic & commercial development in remote Indigenous communities.

Most of the post-Budget politicking is focused on headline dollar amount the cuts without reference to frontline outcomes. This is a political battle. I'm not interested in the political posturing. What I'm interested in is results on the ground. I'm interested in seeing the real problems we see in Indigenous communities being solved. And I believe we can achieve a huge amount with nearly \$5 billion over 4 years directed to real, measurable outcomes.

The Indigenous Advancement Strategy presents real opportunities for employment and economic and commercial development in remote Indigenous communities.

When I talk to people across Australia, particularly in business and politics, I often encounter great pessimism about the future for remote Indigenous Australia. Many people believe – whether they say so publicly or not - that most of these remote communities aren't viable. I don't share this view.

I believe Australians are free to live where they choose. Indigenous people and their ancestors have lived in these areas for tens of thousands of years and they're entitled to keep living there. It's their land.

The belief remote Indigenous communities don't have viable futures often stems from misconceptions about why these communities have high unemployment and welfare dependence.

There are two principal barriers to employment in remote Indigenous communities.

The first barrier is that the civic structure established in these areas prevents commerce and private land ownership. I've called this "state sponsored socialism".

The second barrier relates to social stability. By this I mean safe and functioning communities where laws are respected, children go to school, there's adequate and habitable housing, adults are job-ready, literate and numerate and so on. Social stability is one of the conditions necessary for commerce and investment. Many remote and regional Indigenous communities don't meet some or all of these criteria.

Over the past 18 months I've spoken and written extensively about these issues and I'd invite you to look up my speeches and articles which are all available online.

There has been some real momentum to address these barriers in recent years. For example, many communities have introduced Alcohol Management Plans which ban or restrict the supply and consumption of alcohol within certain areas.

Since their introduction communities have seen substantial reductions in incidences of violence, alcohol-related crimes and even the number of children being taken into care because of neglect or abuse. These are real, tangible results to deliver social stability.

One example of a transformed community is Palm Island. Just 10 years ago riots erupted there after a young Aboriginal man in custody was killed by police officers. In 2006 The Guardian described Palm Island as the most dangerous place on earth outside a war zone.

Last month, Palm Island welcomed its first boatload of 200 paying tourists. I've taken my young step-son camping and fishing on the Island without hesitation. I certainly would never take him into a war zone.

We have seen some excellent community-led initiatives to transform schools and school attendance in remote areas. I've visited some of these schools in North East Arnhem Land, West Arnhem Land, Central Australia, the Pilbara and Cape York.

And this year the Federal Government has rolled out the Remote School Attendance Strategy, perhaps one of the biggest efforts to address chronic Indigenous truancy we have ever seen. It's a program built on a simple logic that if we are to improve our employment and economic standing then we need to have an educated and skilled workforce; to do this we need our children to attend school.

There are also communities making real progress towards enabling private land ownership and working to develop economic and commercial development initiatives on their traditional lands.

So there is a desire for change and it's the communities who are demanding it. They know if we don't eliminate the high levels of unemployment and welfare dependence in remote Indigenous communities those communities will struggle to survive.

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You'll notice I haven't mentioned remoteness as a barrier to employment in remote Indigenous communities. This is because I don't believe it is.

You will often hear people say there are no jobs in remote Indigenous communities. This is a myth. There is work to be done in remote communities like everywhere else. Teachers. Police. Health Services. Construction and repairs. Cleaning. Mechanical work. Waste management.

There are community pools, airstrips, art centres, satellite dishes, generators, sewerage treatment plants, water tanks, air conditioners, cars, houses, roads and other infrastructure. There are also jobs in remote regions in industries such as mining and agriculture.

We see high Indigenous unemployment and welfare dependence in all parts of Australia, not just in remote areas. Low participation in the workforce is a social problem, not a geographical one.

It's true there aren't enough jobs in remote areas. But it wouldn't matter even if there were - because the jobs that do exist are mostly done by people from outside the community or not at all. And that's the problem.

It's true there aren't enough jobs in remote areas. But it wouldn't matter even if there were - because the jobs that do exist are mostly done by people from outside the community or not at all. And that's the problem.

I visit a lot of remote communities and one of the things I like to do is to count the number of jobs that exist or should exist in the community. I once visited a community with allegedly "no jobs" where I counted about 300 jobs in the area. I also counted jobs that could exist but were currently not being done at all, like waste collection, or which were being done ad hoc by people in other jobs, such as teachers cleaning schools or supervising after school care.

The next day I participated in a conversation on economic development in the area and I mentioned there were several hundred jobs in the community that weren't filled by locals. After a few raised eyebrows I proceeded to list them. For some reason they didn't see these jobs as work locals would do.

I'd like to see every remote Indigenous community do a stocktake of all the jobs that exist in the community, who is currently employed to do them and what qualifications and skills are required for those roles. Then write down a list of all the things that aren't being done by someone in community. Handyman work, maintenance and repairs, horticulture, cleaning, building, health services, taking tourists on fishing trips and so on.

From there sketch out a realistic plan for how long it would take and what would be required for most of those jobs to be filled by locals, based on how long it takes to skill and train a person for each role and the level of job readiness in the community. It may take many years before there is a local person is qualified for a local job. That's ok. The important thing is there is a pathway.

Here's an example of how this might work. Imagine a town with a population of 1500 people, 250 dwellings and 10 public or community buildings. The town is situated on the coast and has an airstrip. A locally run charter flight company operates frequent services to and from the town.

The town has a community pool and there's a small canteen space in the pool building not being used. It also has an NBN satellite dish, a community centre, a school to Year 10 and one small supermarket. The town is 45 minutes flight from the nearest mining town. Now list the jobs. The schools employ teachers, teachers' aides, ancillary and administrative staff, a nurse and co-curricular staff. It requires cleaning and gardening services. The police station employs police officers, assistant police officers and community liaison officers.

The pool requires a full time attendant on site whenever it's open and needs maintenance and cleaning and security services and someone could operate the canteen selling snack and drinks. The charter flight company employs pilots and ground staff. All public and community buildings require cleaning and maintenance. The shop employs a range of staff to serve customers and handle inventory. It needs a bookkeeper.

There is a full time curator at the art centre and if developed it could employ more curators and sales staff. The community requires electrical, plumbing, carpentry and other trade services. It needs a waste collection service. It needs access to a dentist, a doctor and other health workers. And so on.

I'd like to see every remote Indigenous community do a stocktake of all the jobs that exist in the community, who is currently employed to do them and what qualifications and skills are required for those roles.

Then look at what would be required to train people into those jobs and identify the pathways. Some pathways will be faster than others –teachers' aides training to be teachers, assistant police officers training to be police officers.

A student completing secondary school could realistically be fully trained in a trade or as a teacher over a 3 to 7 year horizon. There may be a husband and wife who could learn to operate a cleaning business together relatively quickly. Obviously in this process hurdles and challenges to employment will be identified. And the plan can also set out what needs to happen for locals to be able to take on local jobs.

Elders, council members, community workers and leaders can do this exercise for their communities today. They can start drawing up plans for how to get locals into local jobs today.

And with the implementation of the Indigenous Advancement Strategy and the Remote Community Advancement Network, there'll be ready ears and willing hands to help them achieve this and whose KPIs require it.

When I was a child people asked me "What do you want to do when you grow up?" I think I said I wanted to be a garbage collector or a truck driver or a fireman. My children imagined themselves as vets, interior designers, tradies or ballerinas. We may not have followed those aspirations but we all worked and carved out livelihoods and careers.

All children in remote communities should be able to answer the question "what do you want to do when you grow up?". Maybe they want to be a pilot, a builder, a teacher, a doctor, an artist. All of those jobs are required in their community already.

These aren't pipe dreams. They're realistic ambitions and they don't even need to leave their traditional lands to realise them. I want all children in remote communities to truly believe jobs aren't just things outsiders come in to do.

These are micro examples with jobs that already exist. Australia is a huge mass of land with a population concentrated in the south and south east. In the north and north west our country is on the edge of the fastest growing region on the planet. And they're amongst the most remote regions of Australia.

In the last few weeks Australia has signed free trade agreements with Korea and Japan. It seems likely we will also secure a free trade agreement with China. These are major boosts to our country and that set us apart from other nations. The new Federal Government is also genuinely committed to developing Australia's North and it has commissioned the Northern Development Review which will be completed during this year.

Australia has vast tracts of undeveloped land positioned right on the doorstep of the fastest growing region in the world. There are huge opportunities in the north for the agricultural, mining and other industries, both existing and new. Technologies exist that mean it's possible to farm in the desert in central and northern Australia.

Plus there are the secondary industries that flow from these developments. Imagine Arnhem Land, the Cape and the Kimberlys with sealed roads, with wharfs, electricity grids, ports and facilities. Imagine the utility and IT infrastructure needed to operate those facilities.

Just like each remote community can imagine a future for their small patch of the world, we as a nation can imagine a future for our vast geography. And for the traditional owners of these lands this presents enormous opportunities.

Another misconception is that traditional Indigenous culture is a barrier to employment. A wise Aboriginal woman once said to me - there's whitefella law, there's blackfella law and there's bullshit law. We hear a lot of talk about this or that being cultural. We hear culture is a barrier to school attendance because kids miss school while their parents travel far and wide for weeks on end for funerals.

We hear culture is a barrier to work because adults have to attend ceremony at crucial times or because culture condones humbugging or bludging off others. Let's get real. Indigenous people have lived on this continent for 40,000 years. The problems of social dysfunction and chronic welfare dependence are mostly problems of the last 40 years. And they were primarily caused by well-intentioned but ultimately failed government policies.

When I was a child people asked me "What do you want to do when you grow up?" All children in remote communities should be able to answer that question. Maybe they want to be a pilot, a builder, a teacher, a doctor, an artist. All of those jobs are required in their communities already.

Traditional Indigenous communities revolved around two things – family and work.

Family was the centre of traditional communities which were structured around kinship systems. Family relationships defined who you were, who you could marry, where you lived and your responsibilities to the community and the environment. And it was the kinship system that operated as a built-in welfare system for those who were orphaned, widowed or dependent.

In traditional communities everybody worked for most of their waking hours. They hunted and gathered food; they cared for children and elders; they constructed weapons, implements, instruments, traps, shelter, boats; they educated their children through ceremony, songlines and stories; they managed the land around them. Being idle was simply not a part of these communities.

In traditional communities, people didn't drop everything for weeks on end to attend funerals. There was no refrigeration and they couldn't communicate or travel quickly over large distances. People couldn't just stop working during the mourning period either. They had to eat, children had to be cared for, physical work had to be done. It simply wasn't practical or necessary for funeral ceremonies to be delayed or extended over long periods.

Just like each remote community can imagine a future for their small patch of the world, we as a nation can imagine a future for our vast geography. And for the traditional owners of these lands this presents enormous opportunities.

Likewise, traditional ceremony did not stop communities from working. Ceremony was an integral part of those societies and it co-existed with work. All human societies integrate their religious and ceremonial practices with their work obligations because without work people can't survive. And in all human societies those practices have adapted as the nature of work has changed. I know Aboriginal communities who have moved the timing of ceremony to accommodate business ventures the community has established.

This work ethic remained part of Indigenous communities after British colonisation. Aboriginal people worked - both in their traditional ways and for the whiteman. They worked on cattle stations and farms, in mines, as domestics, as trackers and serving their country in war. In many jobs they worked for a pittance or were "paid" with tea and damper. Or they worked in return for being able to live on the land that was theirs to begin with.

My parents and my grandparents all had real jobs. My grandfather taught himself to read and write and took a job as a farm labourer. It was hard, dirty work, but he had independence and he earned money to support his own family. My father learnt to drive heavy machinery and got a job that was a bit better paid than his father's. He was able to buy a small house. My uncles all worked in the mines. My mother worked as a domestic. That was my family's culture and the culture of their ancestors before them.

Today we attach "culture" to things that are the opposite of traditional community values, things like incarceration and welfare which are barriers to work and destroyers of family.

There are culturally specific programs and facilities in prisons. There are Koori & Murri courts for Indigenous offenders. These aren't cultural. Traditional Indigenous punishment was swift and brutal. Failing to perform obligations or disobeying law was dealt with by a spearing or a beating or expulsion or death. You were punished and, if you lived, were expected to get back to work.

Cultural programs in prison are examples of modern Western attitudes to prisoner rehabilitation. Now I don't have a problem with prisoner rehabilitation or with having cultural awareness and sensitivity in prison. But a diversionary programs that put offenders into work would be truly aligned with traditional cultural values.

People have designed welfare models that incorporate culture, that propose elders play a role in welfare distribution and compliance. Yet traditional Indigenous societies couldn't afford to have people sitting around doing nothing.

Inter-generational welfare dependence enabled by government isn't traditional Indigenous culture – it's a modern Western phenomenon. We see it in Britain, in Europe and in parts of Sydney and Melbourne too.

There are people who claim humbugging is cultural. This is also nonsense. The practice of sharing resources worked because everyone had something to share; people were obliged to give because everyone had something to contribute. These aspects of culture weren't about taking from others. They were about taking responsibility for others. Bludgers weren't welcome in traditional communities.

If you're stealing, or selling drugs or assaulting or damaging property you aren't practicing culture – you're failing your culture and your people.

If you're being idle, if you aren't working or contributing to your community or keeping yourself busy, then you're losing touch with traditional culture and values.

If you're humbugging, extorting money from people, if you're nagging or pressuring or beating your wife or aunty or grandmother for money, you aren't practicing culture. Don't kid yourself. You're destroying your culture and your community. Culture requires you to take care of your wife and your aunty and your grandmother. You should be providing for them.

They were the values in which I was raised and the values of my family and community. When I go out into community, the elders and senior community members speak to me being raised with the same values and expectations. But these values have been being slowly weeded out of Indigenous communities over past decades.

This is both as a result of the social dysfunction that has developed from chronic welfare dependence and as a result of some programs and initiatives intended to fix it. There are also people who wrongly use traditional culture as a cause of or excuse for bad behaviour.

There's nothing more cultural and rewarding than getting a job, feeding, clothing & housing your family and being a role model for your community.

When people in remote communities really apply traditional cultural values the results can be transformative.

A few years ago four Wik clans in Cape York set up a cattle station business. The Australian did a feature on it in 2012 which I'd encourage you to look up and read. The community wanted to control its own destiny and have an operation on country that could employ community members. The cattle station incorporates traditional knowledge – such as traditional burn off methods to manage land – within a modern cattle station operation. And it very much incorporates traditional values.

One stockman quoted in the article says "This is part of our history. This is what our fathers and grandfathers did. There was pride and it hasn't been there for a long time." Bruce Martin who heads the company has talked about the importance of the business as enabling community members to work and to get back to country.

I know a community in the Pilbara region which established a business providing services to mining and engineering companies. This is a profitable business that employs community

members. This was an initiative driven by a traditional remote community. And they modified their timing of traditional ceremonies to accommodate the requirements of the community's business operations.

We've seen elders shape their schools to incorporate culture, language as well as Western standards of education. The Yolŋu have long been champions of what they call two-way or "both-ways" learning. Dr Yunupingu developed the metaphor of the mixing of salt and fresh water to describe this. Fresh water from the rivers is Yolŋu knowledge and salt water rushing in from the sea is western knowledge. He brought both-ways learning to Yirrkala school. He also had a vision for the Yolŋu "assistant teachers" to become fully qualified teachers and leaders in education.

And after many years of hard work led by another Yolŋu clan leader, Djambawa Marawilli, Baniyala finally got a real school, with two full time teachers who live in the community. The community built the school building and the teachers' residence themselves with assistance from private groups. This school has 100% attendance. In that community children know school is what is expected of them by their parents, their community and

their clan elders. They see school as part of their culture and their cultural obligations. And earlier this year the elders of the Yolŋu Nations Assembly declared that parents' cultural responsibilities extend to sending their children to school.

Traditional culture is aligned with going to school, getting a job, taking responsibility for your family, community, environment and for yourself. Culture is an enabler for education and employment in remote Indigenous communities.

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I believe we can achieve a huge amount with nearly \$5 billion over 4 years directed to real, measurable outcomes. That is what we all need to be focusing on.

Because there can be nothing more cultural and rewarding than getting a job, feeding, clothing and housing your family and being a role model for your community.

Nyunggai Warren Mundine is the Managing Director of NyunggaBlack and the Executive Chairman of the Australian Indigenous Chamber of Commerce.

Highly respected and influential businessman, political strategist and advocate for empowering Australia's First People to build a sustained economy and to create business opportunities, Warren's life and career have been shaped by a personal commitment to the Australian and Australia's First Peoples' communities. More than 26 years' experience working in the public, private and community sectors, Nyunggai Warren Mundine is a member of the Bundjalung and Gumbaynggir peoples from the North Coast of NSW and South East Queensland.