

East Kimberley Impact Assessment Project

AN ABORIGINAL ECONOMIC BASE : STRATEGIES FOR
REMOTE COMMUNITIES

Extracts from the Report of the Committee of
Review of Aboriginal Employment and Training
Programs

August 1985*

East Kimberley Working Paper No.7
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A Joint Project Of The:

Centre for Resource and Environmental Studies
Australian National University

Australian Institute of Aboriginal Studies

Anthropology Department
University of Western Australia

Academy of the Social Sciences in Australia



The aims of the project are as follows:

1. To compile a comprehensive profile of the contemporary social environment of the East Kimberley region utilising both existing information sources and limited fieldwork.
2. Develop and utilise appropriate methodological approaches to social impact assessment within a multi-disciplinary framework.
3. Assess the social impact of major public and private developments of the East Kimberley region's resources (physical, mineral and environmental) on resident Aboriginal communities. Attempt to identify problems/issues which, while possibly dormant at present, are likely to have implications that will affect communities at some stage in the future.
4. Establish a framework to allow the dissemination of research results to Aboriginal communities so as to enable them to develop their own strategies for dealing with social impact issues.
5. To identify in consultation with Governments and regional interests issues and problems which may be susceptible to further research.

Views expressed in the Project's publications are the views of the authors, and are not necessarily shared by the sponsoring organisations.

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INTRODUCTION

In October 1984, the Ministers for Employment and Industrial Relations and for Aboriginal Affairs established a Committee to review existing Commonwealth programs for the training and increased employment of Aborigines. That Committee has now reported. Its work places great emphasis on the importance of Government action being directed to increasing Aboriginal capacity to develop an economic base which would give them in due course, greater independence of Government subvention.

The Report gives particular attention to strategies for Aboriginal groups and communities in isolated areas and for those who live on the periphery of predominantly European townships. It may therefore be very relevant to the problems faced by Aborigines in the East Kimberley which is the subject of the East Kimberley Impact Assessment Project.

A major objective of the East Kimberley Impact Assessment Project is to inject relevant information into the policy environment. It is our belief that the information in these extracts has important implications for Aboriginal policy making in north-west Australia. For this reason, and because of the length and possible difficulty in getting ready access to the Committee Report, we have decided to include these extracts among the 'work in progress' papers for the East Kimberley project.

PART VI: ABORIGINAL COMMUNITY DEVELOPMENT

The current policy distinction drawn under the National Employment Strategy for Aboriginals is between Aboriginal people living in distinct and remote area communities and those living in the urban context. The Committee believes that this distinction does not adequately reflect the diverse range of situations in which Aboriginal people live, and argues that it needs some considerable refinement. Moreover, the extent to which this distinction has been translated into appropriate policies and programs is open to serious question. In Chapters 12 to 15, which comprise this part of the Report, we seek to examine the diverse situations in which Aboriginal people live and recommend the adoption of policies and programs aimed at securing a greater degree of self-sufficiency and community viability, and that emphasise the enhancement of Aboriginal decision making, localised control and development. The Committee believes it is clear that the continuing tendency of government to apply regular labour market principles and policies to Aboriginal communities, particularly those in remote areas, is not only inappropriate, but bound to fail. We are not arguing that residents of Aboriginal communities should be excluded from those programs aimed at enhancing participation in the regular market, but rather we believe that it is vital that the diversity in Aboriginal life-styles is recognised and that their options are considered according to more realistic assessments of likely possibilities. The options open to Aboriginal people should not be constrained by a national policy to reduce Aboriginal unemployment in the context of the regular labour market.

In arguing for more opportunities to enable Aboriginal people themselves to develop a greater degree of self-sufficiency, we cite a number of economic, geographical, political and social reasons that have led us to the conclusion that for the longer term future, a substantial proportion that may well be over 50 per cent of the Aboriginal working age population, will not be centrally concerned with the regular labour market. Governments have tended to approach this situation through developing and maintaining Aboriginal people in a welfare based economy that implies some sort of holding operation until such time as Aboriginal people integrate into the Australian economy, rather than ensuring they gain an economic base for future development. The essential direction, in our view, is that government policy towards Aboriginal communities, wherever they be located, must be radically altered towards a focus of development of their economic bases beyond the provision of welfare, municipal and housing services.

In Chapter 12 some of the more fundamental issues of how Aboriginal people can develop an economic base are addressed. A major failing of the National Employment Strategy for Aboriginals was its attempt to tackle Aboriginal unemployment quite separately from policies that seek to enhance Aboriginal people's economic status through land ownership and access to capital for enterprise development. We point to the poor record of successive governments in providing sufficient resources to enable Aboriginal communities to gain ownership of land and thus take the first steps towards gaining greater economic independence. We make specific recommendations for the re-establishment of an Aboriginal Land Fund within the Aboriginal Development Commission to ensure sufficient resources are directed towards providing the necessary assistance for land purchases. The Committee also recognises the

need for access to capital to develop that base and recommends the establishment of a Community Enterprise Development Fund to enable Aboriginal people to engage in productive activities that can generate income, but are in keeping with their chosen life-style.

Some issues of how Aboriginal people can develop an economic base through more involvement in natural resource industries are addressed in Chapter 12. Issues associated with the use of mining royalties and the question of possible equity in mining companies are considered. We also examine the need for Aboriginal people to be able to diversify their economic base into areas such as tourism and other resource developments, and the manner in which this can be facilitated. Some of the measures recommended are required, not just to gain equity for the present, but for future generations as well. Despite the prospects for Aboriginal involvement in such enterprises, we recognise that that contribution is unlikely to be significant and could in some cases be negative, unless there are substantial changes to present policies.

The general theme of Chapter 13 is to encourage the application of policies and programs that provide Aboriginal people living in remote communities with the opportunities to move away from a situation of almost complete dependence on government. When, in the early 1970s, the government sought to hand over control of Aboriginal towns to community councils, Aboriginal people were faced in many instances with accepting wide management responsibilities for which they had received little or no effective training. We still found that many programs rarely involve training in specific skills relevant to the particular situation, and they fail to link into a co-ordinated plan providing training appropriate to the contemporary needs of people living in Aboriginal towns.

The Committee also discovered that nearly all Aboriginal townships are carrying out responsibilities akin to those of normal local government but have as yet not received such status. While this situation continues, these communities continue to be forced to go cap in hand each year to departments such as the Department of Aboriginal Affairs, to compete for an ever diminishing amount of funds. Some significant developments have occurred in relation to this issue, however, and we provide recommendations aimed at focusing government attention on overcoming the current structural deficiencies that are inhibiting effective self-management. In considering the need for recognising alternative forms of employment, we examine the role of the Community Development Employment Program which has placed the decisions over what constitutes productive activity into the hands of Aboriginal people themselves. This approach has led to some very positive results in some areas. This success should be built upon and supplemented by capital funds for development projects initiated by the people themselves, and not imposed from outside. We also see the need for the continued provision of employment funds to be flexibly administered. Whenever possible, final allocations should be decided upon at the local level in full consultation with communities. We argue that training programs in remote areas should be aimed at maximising Aboriginal control over, and employment in, the delivery of goods and services to Aboriginal people. Maximum flexibility is essential in order to take advantage of those economic and employment opportunities that do exist. The facts are that most of these jobs are presently occupied by non-Aboriginal people, and it is in this area that a significant transformation is needed.

The positions of Aboriginal people living in homeland centres or outstations and on pastoral properties are also considered in Chapter 13. In

relation to outstation groups, the Committee has found that in some areas, particularly in Northern Australia, there are groups who are in fact fully employed, but their employment is not recognised as such. We found that, not only are these communities successful in terms of employment, but also that many such communities have achieved considerable success with respect to self-sufficiency, living standards, income status and the use of government assistance to facilitate appropriate forms of development. With regard to the position of Aboriginal people on pastoral properties, we found an unacceptable situation characterised by continuing rhetoric, broken promises and government neglect. While there has been some limited progress, most of the Aboriginal people living on pastoral properties have been amongst the least considered in relation to their employment needs. If there are not some fundamental moves by governments to address their situation, it seems unlikely that any real progress can be made.

In examining the situation of Aboriginal communities in or around small non-Aboriginal towns in Chapter 14, we found that the prospects for regular employment in most areas are virtually non-existent for the vast majority of the Aboriginal population. Most businesses are small and non-Aboriginal owned and controlled. As a result, almost all the employment in these businesses is limited to the family and friends of the proprietors. The employment prospects of Aboriginal people in these locations cannot be expected to improve unless they gain a foothold into the economic bases of such towns, and unless they also gain the opportunity to control the delivery of government services to their own people. The development of the economic bases of Aboriginal communities in or around small non-Aboriginal towns implies, not only access to the type of commercial business enterprises that were considered in Chapter 11, but also to the acquisition of land and other resources as a basis for the development of community enterprises. Such enterprises might not be 'economically viable' in a short-term 'profit and loss' sense, but they will be essential, if communities are to become economically and socially viable in the long-term, and if the overall employment and economic needs of these communities are to be met. In this regard, we see a much more dynamic and professional role for the Aboriginal Development Commission in developing options, in consultation with these communities, that focus on appropriate and long-term forms of development in these communities.

In Chapter 15, the Committee recognises that development options might not be limited groups in rural and remote areas. Distinct Aboriginal communities exist in the urban context also and, for many, the prospects for regular labour market employment are limited because of high levels of unemployment generally. There do exist, however, considerable opportunities for community-owned and controlled enterprise developments in larger towns and cities, in addition to improving Aboriginal prospects in the wider labour market.

12. ABORIGINAL INVOLVEMENT IN RESOURCE DEVELOPMENT

In Chapter 2 we concluded that the fundamental historical factor that has ensured the continuing low economic status of Aboriginal and Torres Strait Islander people is their loss of ownership of natural resources. This has deprived almost all Aboriginal people of the possibility of making a contribution to their livelihood either from direct use of those resources or via the right to bargain through that ownership for a share in the yield of enterprises directed to their exploitation.

As we discussed in Chapter 6, a major failing of the National Employment Strategy for Aboriginals (NESA) was its attempt to tackle Aboriginal unemployment quite separately from policies that seek to enhance Aboriginal people's economic status through land ownership and access to capital for enterprise development.

In arguing for an integration of government policy we recognise that there has been insufficient attention and resources provided to assist Aboriginal people to purchase land and gain access to capital to help provide for their own livelihood. Moreover, little or no attention has been given to Aboriginal participation in industries which directly impinge on them. These include:

- The pastoral industry which for a significant period made use of Aboriginal labour frequently on a basis that was clearly exploitative but which made a modest contribution to the livelihood of Aboriginal people resident on the properties. This contribution has now been largely eliminated as Aboriginal labour is replaced by mechanised technology. Apart from the few Aboriginal people still employed by pastoralists, the few pastoral properties purchased for Aboriginal people now make the major contribution to Aboriginal livelihood from this industry. In Chapter 13 we make a number of recommendations on means by which such involvement should be supported and Aboriginal participation in the industry extended.
- The mining industry, which has taken and continues to take great wealth from the land but whose record of employment of Aboriginal people is poor. With few honourable exceptions companies have done little to provide Aboriginal people with training opportunities. Only in the Northern Territory and South Australia have land rights laws enabled Aboriginal people to effectively bargain for a share in the yield from any mineral exploitation. That opportunity is under serious threat.
- The tourist industry, which appears to offer great possibilities derived from attractions that reflect interest in the land as the home and as an expression of the material and social culture of an ancient and unique society. So far, however, it has contributed practically nothing to the possibilities of Aboriginal livelihood and, in some areas, much to the exploitation and degradation of Aboriginal society and its culture. Even on the smallest scale, tourist enterprises require capital and organisation not available to Aboriginal people. In addition, government

and industry policies have apparently been interested in Aboriginal involvement only as picturesque subject matter for advertising.

- Other natural resource industries such as fishing, forestry and wildlife culling, for which there is considerable potential. Whilst in some isolated cases governments provide incentives to Aboriginal people to gain a foothold in such enterprises we believe that this support could be considerably extended.

The Committee believes that these industries offer the best prospects for natural resources utilisation which can contribute to Aboriginal livelihood, and which therefore demand special consideration. However, that contribution is unlikely to be significant and may in fact be negative unless there are substantial changes to present policies.

12.1 THE ECONOMIC IMPORTANCE OF LAND

The Committee is convinced that the ownership of land and other resources is the first necessary step towards providing Aboriginal people with the means to improve their economic status. Unfortunately successive government promises to assist Aboriginal communities to meet this need have not been fulfilled.

The first major legislative recognition of the need to procure land for Aboriginal purposes (other than by specific land rights legislation) was by the passage of the Aboriginal Land Fund Act 1974. This act established an Aboriginal Land Fund Commission and an Aboriginal Land Fund.

The Department of Aboriginal Affairs (DAA) 1974-75 Annual Report stated that this legislation:

"was to formulate existing government policy and programs undertaken pursuant to the Prime Minister's 1972 election undertaking to establish an Aboriginal Land Fund to purchase or acquire land for significant continuing Aboriginal communities and to appropriate \$5 million a year to this fund for the next ten years."

(Source: Department of Aboriginal Affairs Annual Report (1975), Australian Publishing Service, Canberra.)

That promise was never fulfilled. In the 1975-76 financial year only \$2 million was provided to the Fund, with \$1 million of this being frozen by government until the following financial year. This freeze was described in the DAA 1975-76 Annual Report "as part of general economy measures, [that] meant the acquisition of some properties was deferred". (Source: Department of Aboriginal Affairs Annual Report (1976), Australian Government Publishing Service, Canberra.)

The annual reports of the Land Fund Commission provide an account of sustained obstruction and bureaucratic incompetence by Commonwealth and State governments alike, that ensured it was rendered largely ineffective in carrying out its legislative charter. The Commission's repeated calls for funding for land purchase to constitute a much higher proportion of total government expenditure were ignored leaving it to conclude in its 1977-78 Annual Report that:

"It is much easier administratively to pay officials to 'look after' the poor and people of low status than to give such groups those basic resources which they need for safe living, health and economic development."

(Source: Aboriginal Land Fund Commission Annual Report (1978), Australian Publishing Service, Canberra.)

The Aboriginal Land Fund and the Commission were both incorporated into the Aboriginal Development Commission (ADC) when it was created in 1980. In 1984-85 the allocation for land purchase was \$3.5 million. Assuming this has been spent, the 1972 commitment of \$50 million has resulted in an actual expenditure of only \$17.5 million.

The Committee believes that the legacy of needs which were recognised in 1972 are just as great or even greater today given the continued deterioration in the economic status of Aboriginal people described throughout this Report. We therefore recommend that immediate action should be taken to re-establish a specific land fund vote within the ADC. In arguing for the establishment of an Aboriginal Land Fund within the ADC we are conscious of the difficulties faced by the former Aboriginal Land Fund Commission in its purchasing program whilst it remained dependent on annual funding without a minimum government commitment over a long period. When the ADC inherited this function it had a one line item budget which enabled it to decide on the amount it would provide, from its total budget, for land purchase. It is obvious, however, that the Commission was effectively constrained by commitments to housing and enterprises which it inherited from the DAA and it has been unable to devote sufficient resources to land acquisition. Furthermore, the ADC's capacity to generate its own income has been severely constrained by the cessation of funding to its capital fund.

The Committee is aware of past experience where vendors have assumed that the government is prepared to pay much more for a property than the current valuation. It is therefore important that the ADC has the capacity to carry out meaningful negotiations without being constrained by time or annual budget considerations, thus enabling it to test valuations in the market and purchase at better prices. The Committee is also aware of the fact that the cost of land has escalated dramatically over the last ten years and that considerable funds are required if any significant impact on meeting existing needs is to be achieved. We should also make it clear that funds made available from this Fund should also cover, where relevant, the cost of assets on the land being purchased whether they be stock or other removable items. We are therefore recommending that an initial allocation to the Aboriginal Land Fund of at least \$20 million should be provided in the first year. Following that, there should be allocations of \$10 million in 1985-86 real terms for ten years. Any funds unexpended in a particular financial year should be allowed to be invested for use in later years. The Committee believes that action along these lines would be a major contribution by government towards assisting Aboriginal people to meet one of their most clearly and consistently articulated aspirations, and to enhance their economic status, particularly in the context of the approaching Bicentenary in 1988.

Recommendation 60. The government should provide \$20 million to the Aboriginal Development Commission to establish an Aboriginal Land Fund vote with ongoing funding of \$10 million per year (in 1985-86 terms) for the next ten years. These funds should be for the purpose of purchasing land on behalf of Aboriginal groups and communities applying criteria which predominantly take into account the economic, social and cultural needs of the Aboriginal community concerned.

12.2 ABORIGINAL COMMUNITIES AND ENTERPRISE DEVELOPMENT

During the Committee's extensive consultations and through its submissions, it quickly became obvious that there is a lack of government strategies and adequate programs directed towards assisting Aboriginal people to engage in activities that generate income. Whilst the functional agency for this area is the ADC, we found that its capacity to respond to requests for assistance was severely handicapped by the Commission's lack of any coherent policy or strategy towards meeting its responsibilities under its enterprise function. In fact there is evidence to suggest that the Commission has retreated from this area by applying increasingly rigid commercial criteria to the assessment of any new applications for funding. There has been obvious confusion in the Commission over how to develop effective criteria for considering community enterprise development as opposed to the quite different assessments needed for considering funding for the commercially viable ventures described in Chapter 11. This is not just a problem for the Commission as misconceptions about these issues are predominant in the wider society itself.

In remote areas in particular, the application of strict commercial viability criteria to the assessment of projects fails to take into account the necessary longer term investments of capital that are required to achieve positive results. In fact, in some cases even continued large capital investment in remote Australia does not result in success (e.g. the Ord River Scheme). There has also been a failure to recognise that the alternative to no support is invariably welfare assistance. The Committee is of the view that despite the need in many cases for ongoing subsidisation of Aboriginal enterprises, it is preferable to provide people with the opportunity to actually earn, maintain and perhaps increase income whilst engaged in productive activity than to create welfare dependence. Comparison with the heavy subsidisation of some elements of the manufacturing sector in the wider economy is not without relevance here. In areas of Northern Australia in particular the Committee found that attempts to develop enterprises in remote Aboriginal communities have been largely based on a development ideology that takes no account of the northern environment and its isolation, and bears little or no relation to the aspirations of Aboriginal people. The reality is that apart from projects involving massive capital outlays for extracting expensive minerals, and more recently tourism, all other attempts at commercially viable development based on the exploitation of natural resources in Northern Australia have failed. [See McKenzie, I (1980), European Incursions and Failures in Northern Australia in Jones, R (Ed), Northern Australia - Options and Implications, Australian National University; Davidson, B R (1966), The Northern Myth, Melbourne University Press.]

Similar considerations apply to remote and isolated communities all over Australia. Two major factors relate to the economic viability of income

generating enterprises in such areas. The first is the distance from major markets and the enormous transport costs incurred in obtaining inputs, and in marketing. Second, in almost all cases the size of the local markets will be small. Therefore, these factors mean that the urban based concept of economic viability must be modified to include recognition of the likelihood of long-term support being needed for productive activities in remote areas.

The Committee believes that the time has come to stop burdening both non-Aboriginal and Aboriginal communities alike (not to mention bureaucrats) with program criteria that virtually ensure projects have absolutely no prospects for success and which lead to mutual blame for the inevitable failure. Such a situation only compounds existing cynicism and despair about future prospects, whereas we contend that a more honest and realistic approach to this issue could pay real dividends.

The Committee believes there is a need for a community enterprises scheme which assists Aboriginal people to create employment by undertaking income generating activities. Such enterprises would aim to employ people in projects in which their level and type of income is in part directly concerned with the activity. However, a degree of ongoing employment subsidy would be provided on a guaranteed level of income as a basis for longer term development. Support for such enterprises would be similar in nature to the use being made of CDEP and social security benefits by some Aboriginal communities to support subsistence activities in remote areas.

The subsidy would be available through individuals working on the enterprise still being able to receive their normal unemployment benefit payments from the Department of Social Security (DSS), where the CDEP scheme does not apply. Such payments would be made on a pre-agreed basis for a period up until the project is assessed for viability by the ADC.

The major costs of the enterprise would be the capital required for establishment. Regardless of the initial capital establishment support and the provision for labour costs under CDEP or under the above arrangement with the DSS, many of these enterprises will require some form of ongoing access to working capital for other costs associated with running the venture. In these cases, the ADC should have the capacity to be able to provide for ongoing working capital requirements (other than for labour costs), as such ventures are unlikely to be able to obtain access to working capital through normal commercial finance channels. Moreover, the special circumstances applying to many of these ventures, because of large distances from major markets or sources of inputs (implying very high transport costs), or the small size of local markets, mean that the potential for totally unassisted viability may well be limited. In these cases, the government must recognise the need for ongoing support.

The Committee believes that such community enterprises have a number of distinct advantages over the current approach to employment creation for Aboriginal people, namely, that:

- they will provide and develop economic resource bases for Aboriginal groups, giving them the opportunity to gain equity in their local economies;
- they will assist Aboriginal groups to have the opportunity to become more self-sustaining and to generate income for their own support;

- . they will cost no more in ongoing labour subsidy terms than the maintenance of participants on unemployment benefits; and
- . they will be of an ongoing nature.

The varied applications of this scheme are discussed more fully in Chapters 13, 14 and 15.

Despite the presence of an ongoing subsidy these enterprises would be required to operate on a commercial basis for the production of additional income. The distribution of such income would be determined by the community or group operating the enterprise. The greater the success of the activity, in commercial terms, the greater the income for participants. If and when commercial viability is obtained, the choice of expansion or diversification could be weighed against reduction of the ongoing support required.

This scheme should be operated by the ADC which would provide the establishment and working capital other than for labour costs. The current funds expended on the Commonwealth Community Employment Program (CCEP) for Aboriginal people should be transferred to the ADC and added to their existing enterprise funds to form a Community Enterprise Development Fund. In line with views we have consistently expressed throughout this Report, the Committee believes that the Community Employment Program (CEP) typifies a program which applies regular labour market principles to areas where they are not appropriate. Moreover, both at our consultations and in the submissions to us, the CEP, particularly the CCEP, drew more criticism from Aboriginal people than any other program. Its short duration and restrictive guidelines ensured that Aboriginal communities and organisations have major difficulties in getting access to funds, and this is borne out in the participation rates in the program discussed in Chapter 5. The Committee believes the funds, from CCEP at least, could be put to far greater productive use under the approach we propose.

The Community Enterprise Development Fund (CEDF) should be supported by training in management of the enterprise, including training to increase productivity, via the DEIR Training for Aboriginals Program (see Chapter 8). We also see an important support role from specialist Aboriginal resource organisations more fully described in Chapter 17.

The Committee believes that decisions over the final allocation of funds from the CEDF should be made at the regional and not the Central Office level. Overall, State and Territory allocations should be approved by the ADC's Commissioners, whilst at the regional level, structures should be established which provide for effective representation of Aboriginal communities/organisations to approve the final allocation of funds to specific projects.

Recommendation 61. The Aboriginal Development Commission should establish a Community Enterprise Development Fund to create employment through the establishment/purchase /support of enterprises. This Fund should provide for capital purchase, establishment, and ongoing working capital other than for labour costs. Assistance for labour costs should be in the form of a waiving of the usual unemployment benefit eligibility requirements to allow the continuation of payment of the unemployment benefit to individual participants by the Department of Social Security (except in the case where the Community Development Employment Program is

in operation). Support by way of the unemployment benefits should continue until the project is assessed for viability by the Aboriginal Development Commission. The balance of the income should be produced by the enterprise and the nature and level of remuneration allocated on a basis agreed to by the participants. The Commonwealth Community Employment Program, Aboriginal component should be abolished, and its funds should be transferred to the Aboriginal Development Commission for this purpose. The current enterprise grants and loans funds should be absorbed into the Community Enterprise Development Fund. Funds should be allocated on a regional basis and the program should be supported with training funded from the Department of Employment and Industrial Relations Training for Aboriginals Program.

12.3 ABORIGINAL COMMUNITIES AND THE MINING INDUSTRY

One of the major difficulties successive governments have faced in reconciling Aboriginal interests with those of the mining industry is how to ensure that a short-term exploitation of a non-renewable resource can be converted to a means of meeting the long-term development needs of Aboriginal people. Of just as great importance is the government's role in ensuring that Aboriginal people are protected from mining's potentially adverse effects on their life-styles.

This is not an issue which only concerns Aboriginal people; the capacity of mining to create the basis for secondary development in remote areas has recently been under serious question. Most of the long-term benefits of mining accrue to national or overseas interests - not the regional population of the areas where the actual resource development takes place - leading to governments placing a greater emphasis on tourism development in remote areas [see Fairchellaigh, C O (1985), Mining as a Source of Employment in the Northern Territory, unpublished paper presented at North Australia Research Unit Conference on Employment and Unemployment in the North].

The mining industry itself claims a significant role in bringing the benefits of employment and the imparting of new skills, to areas in which it is established. With few exceptions such benefits generally have not accrued to Aboriginal people in remote areas. Also, in terms of other Aboriginal needs it considers these to be a welfare problem that should be looked after by government [see Altman, J C and Peterson, N (1984), The Case for Aboriginal Access to Mining Royalties Under Land Rights Legislation, Discussion Paper No. 89, Centre for Economic Policy Research, Australian National University].

As we mentioned in the introduction to this chapter, except for honourable attempts by some companies (e.g. Ranger Uranium Mines at Jabiru, Groote Eylandt Mining Company at Alyangula), Aboriginal employment in the industry remains very low when compared with their proportion of the population where large mining developments usually take place. In fact the latest census figures (see Chapter 3, Section 3) show that Aboriginal participation in mining as compared with other employment has dropped by half between 1971 and 1981. The reasons for this do not just relate to the attitude of mining companies; for example at Jabiru in the Northern Territory Ranger Uranium Mines will virtually employ any Aboriginal person seeking work but has found that most of its limited number of Aboriginal employees are drawn from other areas. It in turn is now experimenting with part-time work as a form of

employment more in line with Aboriginal life-styles in the area. Meanwhile, the Australian National Parks and Wildlife Service operating in the same area has not enough positions to satisfy the number of Aboriginal applicants for work.

In other areas such as Groote Eylandt and Weipa there are larger numbers of Aboriginal people employed although the figures could not be considered to be substantial when compared to the amount of imported labour. It is also important to recognise that the efforts by some mining companies to secure employment for Aboriginal people in the industry often relate to specific written agreements that have to be honoured or reflect a longer term interest in gaining Aboriginal agreement to secure further mining leases.

Another means of securing employment from mining activity has been through the establishment and operation of Aboriginal contracting companies which sub-contract work from mining companies. Examples of these include Yirrkala Business Enterprises at Nhulunbuy and the Gagadju Contracting Company at Jabiru. We understand that attempts are being made to establish a similar enterprise on Groote Eylandt.

Evidence indicates that Aboriginal people prefer to work for their own organisations and these sub-contracting businesses provide such an opportunity. There would appear to be considerably more scope for mining companies to assist Aboriginal people to establish such businesses through the provision of capital equipment, relevant training and preference to local and Aboriginal tenderers.

The Committee was struck by the variation in the attitude and approach of individual companies on this issue. In our view it is clear that action on the part of government is necessary to ensure mining companies apply policies that ensure reasonable employment opportunities for Aboriginal people.

There are a number of factors which discourage Aboriginal people from working in the mining industry which have already been fully documented elsewhere [see Cousins, D and Nieuwenhuysen, J (1984), Aborigines and the Mining Industry, Allen and Unwin]. Needless to say, however, probably the major factor relates to whether Aboriginal people of the area agreed to mining going ahead in the first place.

Where the rights of Aboriginal communities to veto such proposals remain (except where National Interest provisions are applied) that right is under serious threat and those Aboriginal communities that have previously resisted resource development in their area may face the possibility of mining proceeding whether they want it or not.

Whilst it is not our role to explore the arguments for and against such a right of veto here, we believe that if any form of development is imposed on Aboriginal people without their consent they are more than likely to reject any opportunity to participate in it, whether through employment or any other means. It is therefore the Committee's view that if such arrangements are to apply, the government should consider ways of ensuring Aboriginal communities have the right to be effectively involved in decisions concerning the proposed development from the outset. They should also have the opportunity of choosing whether to take up a reasonable equity in the companies which intend to conduct mining in their area. It is important to recognise that whilst Aboriginal people remain economically depressed they are not in a position to

exploit mineral resources. However, in many cases, the mineral resource base is the only product of marketable value where Aboriginal people live. To allow mining companies to extract such resources without Aboriginal communities gaining a substantial share in such ventures will merely heighten their opposition to mining and maintain their low economic status. A substantial equity could at least provide Aboriginal people with some opportunity to influence the operation of the mining company and provide access to income for their own development both during the life of the mine and when it finally ceases operation. Funds to enable such investment could take the form of a grant and/or loan from the Commonwealth which is repaid from a set percentage of profits from the venture.

Similar proposals have been initiated by Aboriginal people themselves through the creation of "Centre Corp", a company set up by the Central Land Council to provide Aboriginal people with the capacity to use mining royalty equivalents to invest in resource development projects such as the Alice Springs to Darwin gas pipeline.

Recommendation 62. The Commonwealth government should encourage the mining industry to provide greater employment opportunities for Aboriginal people. This should be achieved through the adoption of affirmative action policies by the mining industry as a whole and the drawing up of specific strategies in consultation with Aboriginal people to maximise training and employment opportunities in areas where mining takes place and to modify employment practices to fit Aboriginal life-styles. The mining industry should also encourage Aboriginal communities to establish their own enterprises through the provision of capital equipment, relevant training and preferential tendering.

Recommendation 63. Before mining proceeds in areas of significant Aboriginal population, the Commonwealth government should ensure that Aboriginal people in the area have the opportunity to gain a substantial financial equity in the proposed mining operation. Funds for such purposes could be in the form of long-term grants and/or loans from the government, repayable from a set percentage of profits generated by the venture.

The Use of Mining Royalties

In the Northern Territory the current legislative provision for the payment of mining royalties to Aboriginal interests lies under the Northern Territory Land Rights Act 1976; in South Australia, under the Pitjantjatjara Land Rights Act 1981, the Maralinga Tjarutja Land Rights Act 1983 and the Aboriginal Land Trust Act 1966-1975; in New South Wales, under the Aboriginal Land Rights Act 1983; and in Western Australia, under the Aboriginal Affairs Planning Authority Act 1972-73. No payments have yet been negotiated in South Australia and New South Wales. From 1975 to 1982, in Western Australia royalty payment equivalents paid to an Aboriginal Land Trust by the State government averaged about \$17 000 per annum. These payments are equivalent to statutory royalties raised on reserve land but are subject to a \$50 000 limit per annum. The Aboriginal Land Trust has pursued a policy of distributing 60 per cent of royalty receipts from mining activities within reserves to Aboriginal organisations.

Royalties have been payable to Aboriginal interests in the Northern Territory since 1952 when the Northern Territory (Administration) Amendment Act, 1952, was passed creating the Aborigines (Benefits from Mining) Trust Fund (ABTF). Prior to this, mining on Aboriginal reserves was not allowed. However, with the passage of the abovementioned legislation and by concurrent amendments to the Northern Territory Mining Ordinance a double statutory royalty of 2.5 per cent ad valorem (of the value of the minerals mined) became payable by miners operating on Aboriginal reserves. This royalty was to be payable to the Crown (in the right of the Commonwealth) but be subsequently transferred and reserved for Aboriginal people in the Northern Territory. The ABTF was created as the Trust Fund to receive these benefits. The major variation to this arrangement up until 1976 occurred with the passage of the Aboriginal Land Mining (Gove Peninsula Nabalco Agreement) Ordinance which specified a royalty rate well below the double royalty.

The ABTF received no royalties until 1965 and made no payments until 1969. The ABTF's practice was to grant 10 per cent (from 1972-73) to Aboriginal communities adjacent to resource development projects, to grant or lend 45 per cent, and to save and invest 45 per cent of its income. Over its operational life (1969-1978) the ABTF received \$11.8 million in revenue and its overall reserves which were taken over by the Aboriginals Benefit Trust Account (ABTA) in 1978 amounted to \$3.4 million.

At this stage it is important to point out that the current range of agreements that apply to payments to Aboriginal interests from mining companies are varied and complex. Some involve what are termed as 'up front' payments which occur before mining occurs, while others are termed as ex-gratia 'good neighbour' payments. For our purposes here, we are mainly concerned with those royalty equivalents which the Commonwealth reimburses to the ABTA and which represent the 30 per cent retained for investment and granting purposes. (For a fuller explanation of the various arrangements and how royalties are derived, see Altman, J C (1983), Aborigines and Mining Royalties in the Northern Territory, Australian Institute for Aboriginal Studies.)

The ABTA was established by Section 62 of the Aboriginal Land Rights (Northern Territory) Act 1976 and has two quite separate functions. The Trust Account receives mining royalty equivalents, and on the basis of a formula specified in Section 64 of the Act distributes 40 per cent to the three Northern Territory land councils (on the basis of a Ministerially determined division) and 30 per cent via land councils to areas affected by resource development projects on Aboriginal land. It retains the remaining 30 per cent to be distributed as:

- grants applied to or for the benefit of Aboriginal people in the Northern Territory;
- supplementary funding to land councils; or
- to meet some of the administrative expenses of the Trust Account, as directed by the Minister.

The ABTA has three functional components: an administrative secretariat staffed by the DAA; an Advisory Committee that currently consists of seven Aboriginal people, one appointed as Chairman by the Minister, the other six

nominated by the land councils; and the Minister for Aboriginal Affairs (or his delegate) who finally approves grants.

The operations of the ABTA were temporarily suspended during 1984 at the request of the Advisory Committee whilst a full review was undertaken of its activities. The subsequent report, Altman, J C (1984), The Report of the Review of the Aboriginals Benefit Trust Account (and Related Financial Matters) in the Northern Territory Land Rights Legislation, Australian Government Publishing Service, was presented to the Minister for Aboriginal Affairs in December 1984.

The ABTA review provides important recommendations regarding future policies covering the disbursement and investment of mining royalty equivalents paid by the Commonwealth to Aboriginal interests in the Northern Territory.

In considering both the investment and granting functions of the ABTA, Altman pointed out that not only does the fund lack any stipulated investment policies but that from a total income of \$63.5 million received between 1966 and 1984 (including funds received by the ABTF) it retained only \$5.8 million in uncommitted reserves at December 1984, all of which was conservatively invested in interest bearing deposits. It is also important to note that the ABTA income has risen dramatically between 1978 and 1984 totalling \$51.7 million for that period. Annual income received is currently averaging approximately \$18 million.

Analysis carried out in the ABTA review on the nature and value of grants provided by the ABTA points out some disturbing trends:

- from 01.07.1978 to 31.12.82, 115 of the 164 grants approved were for the specific purpose of procuring a vehicle. The value of all grants for this period equalled \$1.97 million, with \$1.47 million (or 75 per cent) being spent on vehicles;
- from 01.01.83 to 31.12.84, 453 grants were approved to a total value of \$12 million. Of these grants, 316 (or 70 per cent) were for the purpose of purchasing a vehicle. However, the value of vehicle grants had declined to 46 per cent (\$5.4 million) of the total value of all grants.

Despite the proportional decrease in expenditure on vehicles in 1983 and 1984 (and no-one doubts the importance of access to transport in remote areas), it is quite clear that the lack of clear expenditure guidelines relating to the ABTA's granting function has led to insufficient focus on providing a concerted effort towards improving the economic status of Aboriginal people. (The guidelines that do apply were formulated by the DAA and not the Advisory Committee.) Given the economic position of Aboriginal people outlined throughout this Report, the Committee considers this situation to be unsatisfactory and uncreative. Furthermore, the lack of an investment policy has resulted in limited capital accumulation that will ensure that a proportion of benefits flow to future generations. It is also important to recognise that royalty income is derived from a non-renewable resource mined on Aboriginal land. It is therefore crucial that the future needs of these people is considered. Under the current Act there is not even any provision for Aboriginal decision making over the investment policies of the ABTA. It is commonsense that a significant proportion of the monetary benefits from the

current use of Aboriginal land should be kept for those who ultimately will inherit it.

The ABTA review recommendations propose that the ABTA establish two separate accounts; one being solely for investment whilst the other is for granting purposes. It also recommends that the ABTA invest 50 per cent of all its income.

In line with other recommendations in this Report, the Committee believes that the ABTA should be working towards providing opportunities to ensure the structural changes necessary to improve the low economic status of Aboriginal people in the Northern Territory, whether it be by investments in real estate, tourism or resource development projects, or through grants to Aboriginal groups to enhance their economic status. Given the economic position of Aboriginal people, such monies should not be invested in a passive manner but should aim to secure real benefits to present and future generations and influence those areas of business activity that impinge most on Aboriginal people. In the longer term the investment fund could use its substantial collateral to raise venture capital for involvement in major projects of significant importance to both Aboriginal interests and the wider economy. The concept of the joint funding of projects with the ADC under its enterprise and land purchase functions should also be closely examined.

We understand that the Minister for Aboriginal Affairs has generally accepted the recommendations of the ABTA review and arrangements have commenced to enable an enlarged ABTA to begin reformulating its investment and granting policies. The Committee would urge the government to ensure that the restructuring of the ABTA be carried out carefully in line with the overall framework formulated by Altman in the ABTA review report. The ABTA Advisory Committee will be required to make far reaching and sometimes complex investment decisions about which it will, at times, have little or no personal expert knowledge. It is therefore crucial that whilst the Advisory Committee must maintain policy control there should also be both systems and structures in place that provide it with credible management guidance and support until such time as Advisory Committee members themselves gain such expertise.

The Committee strongly supports recommendations in the ABTA review which relate to the establishment and role of an ABTA sub-committee responsible for providing the full committee with assistance in both policy formulation and the assessment of applications. Even more fundamental is the need for government policy itself to define the purposes funds are provided for, not as rent or compensation but as a means towards providing Aboriginal people with greater economic independence.

Recommendation 64. The Committee endorses the recommendations of the The Report on the Review of the Aboriginals Benefit Trust Account (and Related Financial Matters) in the Northern Territory Land Rights Legislation (J C Altman 1984) and recommends that the Minister for Aboriginal Affairs should not allow the fund to recommence activities until he is personally satisfied that it has effective investment and granting policies in place specifically aimed at enhancing the economic status of Aboriginal people in the Northern Territory.

Royalty Associations

Also of great importance is the operation of associations which receive 30 per cent of royalty equivalents on behalf of affected people under Section 64(3) of the Northern Territory Land Rights Act plus other funds and various forms of assistance negotiated with mining companies. These monies are provided as a form of compensation to assist Aboriginal people to overcome the negative effects of resource development in the areas which such development takes place.

As with the ABTA, however, there would again appear to be considerable confusion over the manner in which mining royalty equivalents should be expended. The Northern Territory Land Rights Act provides no specification as to what should be categories of expenditure; whilst in recommending such payments, Mr Justice Woodward [see Woodward, A E (1974), The Aboriginal Land Rights Commission, Second Report, Australian Government Publishing Service] merely indicated that they should be applied for community purposes only.

Some people argue that these monies are Aboriginal monies and should be spent as they see fit with no guidance from either land councils or the government. Despite the fact that some associations have invested their funds wisely to both minimise the impact of mining and to secure their longer-term livelihood [the Gagadju Association has invested heavily in tourist development (see Section 4 of this chapter) and the Groote Eylandt Aboriginal Trust has built up considerable reserves], others have been far less successful. For example, the Kunwinjku Association which will receive mining royalty equivalents in respect of the Narbalek Uranium Mine for only another four years has as yet no accumulated capital or sound investments. In the light of these anomalies, the ABTA review recommends the establishment of an appropriate system for the payment of compensation to areas affected by resource development projects which aims to be effective in ameliorating those impacts.

The differing perceptions amongst Aboriginal people themselves as to why these monies are provided and how they should be disbursed and expended provide the main key to understanding why some major difficulties have arisen. These perceptions are not necessarily going to change - however, both government and the land councils have, in our view, a clear responsibility to ensure that both safeguards and appropriate guidance are available to ensure these monies are utilised in a manner for which they were originally intended.

Recommendation 65. The Committee supports the need for some review of payments made under Section 64(3) of the Aboriginal Land Rights Act to people affected by resource development. Such a review should consider means of ensuring that affected monies are utilised to both ameliorate the negative impact of such development and to provide the basis for the Aboriginal people concerned to gain greater economic independence.

12.4 ABORIGINAL INVOLVEMENT IN TOURISM AND OTHER RESOURCE DEVELOPMENTS

Tourism

Despite the increasing emphasis being placed by both Commonwealth and State governments alike on promoting tourism development in Australia, the Committee

found there has been a significant lack of research or even consideration about its existing and potential impact on Aboriginal people, particularly those in remote areas. This contrasts with the detailed attention that has been given to tourism's impact on the natural environment. Nor, for that matter, has there been any detailed consideration given to the question of how Aboriginal people can both benefit from and be involved in the industry. For example, in its report to the Commonwealth Parliament, the House of Representatives Inquiry into Tourism in Australia (1978) did not even mention Aboriginal people. The Commonwealth Department of Sport, Recreation and Tourism also gives this question virtually no consideration.

Given that substantial development is already occurring (e.g. at Yulara Resort near Ayers Rock; and at the Kakadu National Park in the Northern Territory) or proposed (Bungle Bungle Ranges, Western Australia) in areas where there are significant populations of Aboriginal people, the Committee considers that there is an urgent need for governments to develop policies that ensure Aboriginal interests are not only protected but enhanced where such development actually occurs.

Under existing land rights legislation in both the Northern Territory and South Australia, substantial legislative protection is afforded the traditional owners of Aboriginal land to determine what development should or should not occur. It is important to note, however, that the granting of land to the Aboriginal traditional owners of Ayers Rock and Kakadu was dependent on their agreeing to lease both areas to the Australian National Parks and Wildlife Service (ANPWS) to be operated as national parks and to enable major tourist development to occur. At Uluru National Park most of this development is occurring off Aboriginal land at Yulara with a deliberate policy in place to limit infrastructure development in the Park. In other areas as well, tourist attractions are proving to be increasingly situated on or near Aboriginal land. Nevertheless, there has been little attention given to the issue of the possible impact of tourism on Aboriginal life-styles and the means of securing financial benefits for Aboriginal people in the areas involved if development proceeds. Indeed, it seems advice to Aboriginal people about this important area has been either from active promoters of the industry with a vested interest, or from opponents to the industry intent on protecting Aboriginal culture from its so-called evils. Neither is a reasoned or reasonable approach to information on which Aboriginal people can make decisions. We understand that the land councils are aware of the lack of attention given to this issue and have either commenced or are about to commence major social impact studies which focus on the effects of tourism. The Northern Land Council has recently completed work at Kakadu, the Central Land Council is about to commence a study at Ayers Rock, whilst a major study is underway in the Eastern Kimberleys of Western Australia. Unfortunately both the Kakadu and Ayers Rock studies are being completed after major developments have already occurred.

In a study jointly carried out by the Northern Territory Development Corporation and the Northern Territory Tourist Commission, Initiatives for Tourism Facilities (1984), the main recommendation of the study stated:

"The most outstanding finding of the study has been the acute need for provision of some means or facility to expose tourists to aspects of Aboriginal culture, life-style, way of life or mythology."

The Committee believes that if this aspect of tourist development is not properly regulated and controlled it could eventually degrade or adversely

alter Aboriginal life-styles. In this regard it is also important to recognise that at present Aboriginal people are usually not well placed to benefit from tourism. The Northern Territory Government has displayed foresight by appointing an Aboriginal Adviser to its Tourist Commission to assist Aboriginal people and tourist operators alike with these types of matters. This initiative would seem to have relevance in the States as well.

While we found in our consultations many people identifying an urgent need for Aboriginal involvement in the industry, there were none who could provide information on how Aboriginal people could gain access to the necessary capital to both secure and receive a reasonable return for such involvement. There is already strong evidence from a number of countries [e.g. de Kadt, E (1979), Tourism - Passport to Development?, New York, Oxford University Press] that unless national government policy ensures that indigenous people gain both equity and substantial control over the nature of this development (particularly in under-developed remote areas), then large vested interests will predominate over those of the local people.

We are aware of significant interest in tourism development by Aboriginal groups in a few places. In some they have already begun the process of developing proprietary interest in the industry. The Committee is convinced, however, that uncontrolled development will inevitably ensure severe opposition to tourism by Aboriginal people themselves and deprive tourists of the opportunity to observe and experience those aspects of Aboriginal culture that constitute a major attraction for tourist travel to remote areas.

It is therefore crucial to ensure that the well-being of people who live in the area where development is proposed remains the main priority and that Aboriginal people maintain control over the nature of local tourism development, and particularly the way in which their culture is presented.

The Committee believes that the economic, social and cultural impacts of tourism will depend largely on the type of tourism that is developed, thus reinforcing the need to ensure effective Aboriginal liaison and involvement in planning such development. We are aware of some studies which have been carried out in both the Northern Territory and Western Australia which consider means of ensuring Aboriginal control and involvement in tourism under an approach termed 'bi-culturalism'. Although this work attempts to take account of Aboriginal thinking, in our view much of it is predicated on complex non-Aboriginal notions of how Aboriginal people should be involved in the industry. The danger of such an approach lies in the possibility of it being foisted upon Aboriginal people in a manner whereby they will lose control of what occurs and will ultimately accrue few financial benefits.

Kakadu National Park, which is leased to the ANPWS by its Aboriginal traditional owners, provides a useful model of how Aboriginal people are involved in management decisions concerning the park area and maintain control over the manner in which Aboriginal culture is presented to park visitors. This helps ensure that Aboriginal culture is presented to tourists in a meaningful manner. The Committee notes that as a result of this Aboriginal control, draft proposals for the future development of Kakadu involve the design of small scale facilities strategically placed and widely dispersed throughout the Park, rather than the development of massive resorts. This will ensure a lessening of the social impact such resorts will have on the local Aboriginal population.

This gradual development approach will provide Aboriginal people with the opportunity to assess the impact of tourism and ensure that the park is presented to its visitors in a manner which heightens both its natural and cultural significance. It also provides for the continued privacy of Aboriginal groups resident on outstations in the park area, as well as ensuring the protection of areas of sacred significance.

Of particular importance in Kakadu National Park is the quite spectacularly successful role played by the Gagadju Association in using mining royalties equivalents to invest significant amounts of capital into the development of the Cooinda tourist complex in the park area. The Association has also ensured that it operates both the Coonjimba Hostel and the Border Store, and also has plans to construct and operate a motel complex at Jabiru. This enables the Association (whose members are all local traditional Aboriginal owners) to invest in and play a significant role in shaping the future development of tourism in the Park. By contrast, the Yulara complex near Ayers Rock contains no Aboriginal equity whatsoever because for a variety of reasons it is not located on Aboriginal land. We therefore believe it is crucial that Aboriginal people have first option to participate in development as a critical means of controlling tourism's social impact on their lives.

Because of international attention in regard to uranium mining and the fact that Kakadu was Australia's first nomination to the World Heritage List, international interest has ensured that more appropriate resources and attention have been given to Aboriginal involvement than would normally be the case. In particular the ANPWS's decision to provide Aboriginal people with the first option to buy into tourism development in the Park has proved crucial to its success. We believe that the Commonwealth should also be actively pursuing such involvement elsewhere, even where tourism development is proposed immediately adjacent to Aboriginal communities such as at the Yulara Resort near the Uluru National Park.

The Committee is aware that the Commonwealth Department of Sport, Recreation and Tourism is attempting to develop a national strategy for development of tourism in Australia. We urge that in the consideration of that strategy, the department take account of our recommendations as regards Aboriginal involvement in this industry. In particular we regard it as imperative that in the creation and development of national parks, local Aboriginal people be given first option to determine, own and control the types of facilities that are developed.

An area of growing significance for Aboriginal employment opportunities also lies in the management and operation of national parks. Aboriginal people have exhibited a particular interest in gaining work as park rangers, where such opportunities exist, rather than in the more commercially oriented aspects of tourism development. This is not to say that they may not be attracted to employment in these other areas in the future, particularly if they are involved from the start with the planning and management, as they have been with the ANPWS developments. In its submission to the Committee, the ANPWS stated that:

"The contribution that Aboriginal people can make to the management of National Parks in Australia is crucial. Coupled with an increasing concern for the management of our natural resources has come the need to conserve the cultural heritage that is often found only in these natural areas. Australia has recently seen an increase in the number of National

Parks and the growth of a new awareness about conservation. It is logical that Aboriginal people have an important role to play in the management of their own cultural heritage".

The Committee completely endorses this statement and believes that the Commonwealth government in particular should be providing more emphasis and resources into facilitating this process. A long-term policy of establishing new National Parks in areas associated with Aboriginal history would be valuable from Aboriginal as well as general community and tourist interest. From the point of view of management the Aboriginal cadetship program outlined in Chapter 9 provides an important means of securing positions for Aboriginal people in this type of employment.

ANPWS contends that programs to date carried out in the Kakadu National Park and the Gammon Ranges in South Australia, with funding and assistance from the DEIR through its TAP, have highlighted the valuable contribution Aboriginal people can make to park management based on their knowledge and skills in cultural resource management and care of the natural environment.

We understand that ANPWS and DEIR assistance has been sought by both the governments of Western Australia and South Australia to provide further Aboriginal Ranger training similar to that which they have already successfully undertaken in the Northern Territory. The Committee believes that the Commonwealth should respond in a very positive manner to such approaches.

Recommendation 66. The Commonwealth government should initiate discussions with all State governments and, where relevant, Aboriginal land councils, with a view to having Aboriginal people trained and involved in the management and operation of State and National parks particularly in those areas where Aboriginal people retain significant cultural attachment.

Recommendation 67. The Commonwealth government in conjunction with the States, Territories and, where relevant, Aboriginal land councils should develop policies aimed at creating opportunities for Aboriginal involvement in tourism. The National Strategy for development of tourism in Australia should incorporate provisions which ensure that where there is significant Aboriginal population or where the areas are historically important to Aboriginal people, policies seek to maximise Aboriginal control over the nature of tourism development and provide opportunities for Aboriginal people to gain significant financial equity and access to employment opportunities from any tourism development that occurs.

In most areas, Aboriginal people do not have access to either capital and appropriate advice. For example, during our consultations in Cairns, Kempsey and Rockhampton, Aboriginal people complained about their difficulties in getting access to capital to establish tourist enterprises, some of which focus on presenting the Aboriginal history and culture of the area. The Committee believes that both the ADC and the Commonwealth Development Bank (see Chapter 11) should be involved in providing assistance to those Aboriginal individuals or groups that wish to enter the tourist industry.

Pivotal to such involvement will be, of course, the provision of appropriate training and technical and management assistance. We see both the

DEIR Training for Aboriginals Program (see Chapter 8) and specialist resource organisations (see Chapter 17) providing specific assistance in this regard. Such assistance should begin with active pursuit of information on which the decisions whether or not to become involved can be made and continue throughout the development of that involvement.

We discuss the possible role of regional marketing outlets for both the sale and presentation of Aboriginal art in National Parks in Chapter 13 and consider that this could also provide opportunities for Aboriginal involvement in tourism.

Another means of enabling Aboriginal people to gain access to capital is through payments of a proportion of gate receipts covering entry to major tourist attractions. In the proposed memorandum of lease for Uluru National Park negotiated between the Aboriginal Land Trust and ANPWS there is provision for a lump sum payment plus 20 per cent of all gate receipts. At Stanley Chasm near Alice Springs a similar agreement has been in operation for a number of years which has resulted in a proportion of these funds being reinvested back into tourist facilities.

Recommendation 68. The Aboriginal Development Commission should support requests for financial assistance from Aboriginal groups who wish to participate in the tourism industry. Similarly, the Commonwealth Development Bank should make available financial assistance to Aboriginal individuals who can meet their funding criteria. The aspirations of these groups and individuals should be taken into account in the development of regional, State and national plans for tourist development.

Finally, the Committee believes it is important for tourist authorities to consider the manner in which tourism in Aboriginal areas is marketed. False images generate unrealistic expectations among tourists about both the destination and Aboriginal people in particular. The development of Aboriginal resource agencies in this field is a way in which appropriate marketing strategies can be developed.

Whilst Australians generally seem to accept the image currently being projected both domestically and overseas about this country and its non-Aboriginal inhabitants, the portrayal of Aboriginal people and their culture to the potential tourist requires an approach based on integrity rather than humour. The uniqueness of Aboriginal culture itself constitutes a major part of the tourists' interest. It is therefore crucial that the promotion of tourism does not trivialise that culture in any way.

Recommendation 69. The Commonwealth Department of Sport, Recreation and Tourism should encourage the Australian Tourist Commission and other State and Territory Tourist authorities to develop appropriate marketing material in relation to those tourist destinations where there are significant Aboriginal populations or locations of special Aboriginal significance. This should involve meaningful consultation with relevant Aboriginal land councils and the Aboriginal communities involved, aimed at ensuring Aboriginal culture is presented to potential and actual visitors in an appropriate and responsible manner.

13. SELF-SUFFICIENCY IN REMOTE ABORIGINAL COMMUNITIES

As discussed in the introduction to Part VI, a central theme of this Report is the encouragement of policies and programs that enable Aboriginal people to gain increasing independence from government. This will require increasing Aboriginal ownership and use of resources. Without this there can be no real turn around in the welfare dependency situation. Moreover, any major improvement in the economic status of Aboriginal people in remote areas will require particular support in relation to outstation development, land ownership, training and support for economic initiatives.

It is important to recognise from the outset, however, that the extent to which groups can be wholly self-sufficient is limited by a number of structural factors.

Natural resource limitations, harsh living conditions and high transport costs have hitherto had the effect of deterring European colonisation and hindering economic activity in remote areas. Hence regular labour market employment opportunities for Aboriginal people have been, and remain, extremely limited. As a consequence the available human as well as material resources are quite different in remote Aboriginal communities. People living in these communities are often rich in skills associated with traditional life-styles, but in comparison with the wider society, they have low levels of formal educational attainment, few technical skills and little suitable work experience for employment in the regular labour market. Market oriented entrepreneurial skills, or even desires, do not figure highly in Aboriginal socialisation.

The chosen life-style of Aboriginal people and the continuing existence of factors which will always limit the prospects for conventional economic development in these communities mean that conventional labour force concepts such as employment, unemployment and income are often largely irrelevant. These concepts relate more specifically to activities within industrialised societies and are predicated on the notions of employment in the regular labour market, individual economic behaviour aimed at maximising personal income, and mobility between sectors in the search for employment when employment opportunities decline in particular sectors of the economy. Quite clearly these notions are inappropriate for Aboriginal people in remote areas as they are traditionally oriented, have quite different forms and concepts of employment, and are generally unwilling to migrate for jobs. Also, to succeed in regular employment, Aboriginal people must work in a cross-cultural context and accept the norms of the dominant society, an option many find difficult to accept.

The situation in Aboriginal towns requires an examination of means by which people can organise and deliver their own services more effectively and engage in activities that they themselves judge to be productive and important. In their initial establishment, government settlements or missions (which were initially the basis of these towns) were created without any consultation with Aboriginal people, many of whom were forcibly centralised. This in turn effectively destroyed the indigenous economy with non-Aboriginal administrators taking away Aboriginal people's responsibility for their own

livelihood and economic management. These institutions were initially regarded as transitional communities where Aboriginal people would gradually adjust to a 'European' way of life before a more complete assimilation.

Despite these continuing presumptions about eventual outcomes, the fact remains that most people have displayed a continuing preference for a separate life-style rather than absorption into the wider society. In this context government policies have continued to sustain a situation whereby these communities remain economically dependent on government funding. Moreover, government policies have been welfare-based without provision for the legislative or resource bases to foster Aboriginal self-development and self-reliance. Attempts at developing small scale enterprises have thus far been piecemeal and largely an extension of the welfare system. Most projects depend on non-Aboriginal advisers who are themselves often inadequately trained or inexperienced, while Aboriginal community members involved in the venture have received little training or expert support. The prevailing welfare support of Aboriginal communities has ensured that these attempts have usually been made without the commitment of the 'recipients' themselves, who usually regard them as yet another externally imposed initiative.

Isolation has in some respects enabled a continuation of Aboriginal culture and a resistance to the imposition of wider Australian values. An example of this is the outstation movement discussed in Chapter 2, where the type of productive activity engaged in is more in keeping with the eco-systems of North Australia. Aboriginal people in these small communities are building shelters, maintaining basic services, hunting and gathering, as well as producing goods (arts and crafts) for exchange in the wider economy. Whilst they are not formally employed in the sense of the officially accepted definitions of employment, they are engaged in productive activity that generates income (often non-cash or subsistence income). Aboriginal people in these communities see their main needs for training as being for the development of skills that will assist them to be more effective and productive workers within their own local economies. These skills may be very different from those needed to gain access to the regular labour market. Moreover, they call for unconventional content and modes of delivery of training and further education.

Turning to consideration of the position of Aboriginal people living on pastoral properties, the Committee is convinced that these groups face the most difficult task of gaining greater independence and self-sufficiency, so long as their future continues to be determined largely by non-Aboriginal land owners. Far more concerted efforts are necessary by governments if these groups are to develop an economic base on which to build and to regenerate their already unique contribution to the pastoral industry.

The Committee believes that recognition of the productive activities of various Aboriginal life-styles and the possible development of these are vital if a greater degree of self-sufficiency is to be achieved.

In the following sections we are concerned with considering the extent of Aboriginal welfare dependence; and we examine means by which Aboriginal people can develop independence in decision making and acquire a greater degree of self-sufficiency on their own terms in their own communities.

13.1 TOWARDS ECONOMIC INDEPENDENCE

In Chapter 6 of this Report, the Committee discussed the need for different strategies in different areas to assist Aboriginal people to provide for their livelihood. These approaches range from employment in the regular labour market to alternative forms of development which support productive Aboriginal activities. In this chapter we are, of course, concerned with the people in the remote areas and proceed from the point of view that it is the latter range of options which is most relevant. This strategy does not, however, negate the need for regular labour market options to be available but suggests that such options will be relevant only to a small proportion of the Aboriginal population of these areas.

Remote Aboriginal communities are themselves quite diverse in nature and we will examine the employment and training needs in relation to three distinct categories. These are Aboriginal townships, outstations or homeland centres, and pastoral property communities. While there are many similarities between these groups, their particular historical development and socio-economic situations require that they be treated separately. This first section examines the overall structural, policy and program changes that need to be effected to enable Aboriginal people to gain greater economic independence. The second section deals with what we consider should be the functional and administrative roles of the various agencies involved in the delivery of services to remote Aboriginal communities.

Aboriginal Towns

Many Aboriginal townships have developed from earlier mission or government welfare settlements where Aboriginal people had lived in an institutional situation ostensibly designed to assist them to assimilate into the mainstream Australian society and to seek a livelihood in its economy. These institutions were both paternalistic and authoritarian. Although contemporary policies are no longer expressed in terms of the assimilationist objective, there has in fact been little change in government policies in relation to these townships. However, as a result of the growth of the outstation-homeland movement and the related activities of Aboriginal organisations, these townships have sometimes developed as centres for the servicing of outstation communities. Aboriginal service centres (or outstation resource centres) in these towns, financed usually by the Department of Aboriginal Affairs (DAA), act as buying and transport agencies and provide the focus for planning, purchasing, transporting, accounting and training facilities.

Parallel with the growth of this service function, there has often been a growth of government administration at the regional level and an increasing realisation of the need for a local government structure. The establishment of such a structure, if it were designed with respect for the Aboriginal character of these townships, would provide an institutional framework within which Aboriginal initiatives towards greater economic independence would have better prospects. The Committee was therefore especially interested in recent moves to incorporate some Aboriginal townships within the local government structures of the Northern Territory and of Queensland.

In some areas, particularly in the Northern Territory and in North Queensland (Mornington Island and Aurukun), governments have recently moved to

incorporate townships into the structure of local government and to finance them, at least in part, to assume the normal functions of local government. In the Northern Territory, the government has passed legislation (Northern Territory Local Government Act No. 4 Part 20, 1979) which specifically provides for Aboriginal communities to gain formal local government status. In Queensland, Aurukun and Mornington Island have been established as local shires. This status is important given the fact that most Aboriginal townships exercise de facto responsibilities akin to those of local governments (e.g. power, water supply, waste disposal), as well as having functions in such matters as entry into communities, housing and economic enterprises.

An analysis of the situation in Queensland is particularly relevant here. The Aboriginal communities of Aurukun and Mornington Island were placed outside the mainstream of other Queensland Aboriginal communities on reserves with the advent of the Queensland Local Government (Aboriginal Lands) Act 1978 which resulted from negotiations between the Commonwealth and Queensland governments. This Act constituted Aurukun and Mornington Island as normal local government shires but included some additional provisions in recognition of their special Aboriginal character and responsibilities. In accordance with these provisions, the councils were granted a 50 year renewable lease over community land and each council was supported by a co-ordinating and advisory committee of representatives of the relevant Federal and State ministries. These committees have only advisory and assisting capacities and have no power to veto council expenditure or policy decisions.

The Aurukun and Mornington Island communities receive a normal share of State and Commonwealth funds allocated to local government and have also been granted limited fishing, hunting, foraging, timber and quarry rights as well as the right to negotiate mining agreements which would provide the communities with a share in any profits.

The Committee had the opportunity to visit both Aurukun and Mornington Island during its consultations and found that both communities have developed a council system which is responsive to community wishes and aspirations. At Mornington Island, in particular, the Shire Council has utilised funds coming to it as a local government and funds provided through the Community Development Employment Program (CDEP) to help develop a number of projects including productive local enterprises, meals on wheels for pensioners, and it has also established a credit union used by over 200 residents.

While this form of local government has apparently been very successful, the Queensland government has more recently chosen to pursue a quite different approach in granting local government status to other Aboriginal communities living on reserves. The Community Services (Aborigines) Act 1984 contains a series of restrictions on Aboriginal community councils which do not apply to any other local councils in Queensland, and specifically do not apply to the Aboriginal Shire Councils of Aurukun and Mornington Island. These restrictions relate mainly to continued government control over the administration and assets of these communities by the Queensland Department of Community Services, whose employees work with the community councils but remain responsible to the Department. Aboriginal councils on reserves under the Community Services Act have only restricted control over use of funds, the regulation of the consumption of alcohol and law and order, and are therefore outside the mainstream of local authorities. These restrictions have been examined by the Human Rights Commission which stated in its Report No. 9 Community Services (Aborigines) Act 1984 to the Commonwealth Attorney-General

that the current Act is in conflict with the Commonwealth Racial Discrimination Act (1975).

It is obvious to the Committee that where, as in Aurukun and Mornington Island, a sound administrative framework with sufficient resources is placed under the control of Aboriginal people themselves, they are making sound and realistic attempts to run their own affairs and engage in productive activities. Where paternalistic control continues to be exercised by the State, as is the case with those people under the Queensland Community Services Act, dependency and institutionalised welfarism are likely to continue to prevail.

Because of time constraints, the Committee had less opportunity to examine the effect of the Northern Territory legislation which in some areas has brought Aboriginal townships within the Territory local government structure and has accepted decision making structures which incorporate elements of traditional authority. It has not been possible therefore for the Committee to comment on the adequacy of these provisions or achievements under them. It is clear, however, that the existing alternative whereby most of these communities operate as incorporated non-profit organisations, does not reflect their importance or their responsibilities and does not permit them to draw on the resources available to similar non-Aboriginal communities. The provision of local government status would have a considerable effect on the current funding arrangements of these communities.

The majority of funding for such communities in Western Australia and South Australia comes from the DAA, whilst in Queensland and the Northern Territory it is derived from State sources separate from the provision of normal local government assistance. This has had the net effect of tying up a considerable proportion of funds (particularly in the DAAs' case) for the provision of day-to-day support services to communities. It has also ensured that communities, because they do not enjoy status or recognition as local government bodies, or their equivalent, have been denied access to expertise and financial support to which they would be entitled if they had the status which reflects their real function.

Communities are, for example, unable to raise loans (which are available to local government authorities on concessional terms), and are unable to attract local government grants (although the Aboriginal population is counted for the purpose of calculating the proportion of Commonwealth income tax revenue returned to the States under the tax sharing arrangements). Moreover, Aboriginal communities are unable to attract many of the subsidies payable direct to local governments by the Commonwealth and State governments for special projects.

The Committee believes that if these communities are to achieve greater self-sufficiency it is essential that the extent of the responsibilities of existing Aboriginal councils be acknowledged and that those councils be provided with a legal and resource base from which to perform them. Furthermore, there is need to review the degree to which Aboriginal residents of existing local government areas receive an adequate and equitable share of the services provided. These services are in part financed by grants based on (inter alia) population figures which include Aboriginal citizens yet the Committee is aware that many local governments leave Aboriginal residents without basic facilities which are taken for granted by the others. This is very evident in Aboriginal 'town-camp' situations (see Chapter 14).

For these reasons the Committee believes that a comprehensive examination should be made of the effect of existing local government structures and policies on Aboriginal citizens. The National Inquiry into Local Government Finance, with which we have had discussions, have also given this issue consideration but, because of time constraints, has been unable to carry out a thorough examination. However, it does believe that unless there are strong reasons to the contrary, Aboriginal communities can usefully be incorporated as local governments with such adoptions as are desired to preserve their cultural identity. It also shared the view that a more specific study into the issue is urgently required.

Such a study would provide an opportunity to consider in more detail the structural developments which have occurred in the Northern Territory and Queensland, and, given the special needs of Aboriginal people, consider the need for a separate funding formula to apply to the provision of local government finance to Aboriginal communities essentially over its formative and establishment period. It should also take into account the possible relevance of the developments under active consideration by the Commonwealth government in relation to the establishment of a representative Aboriginal organisation at the regional and national level to succeed the National Aboriginal Conference (NAC). These possible developments envisage a number of regional assemblies with representative, policy making, executive and co-ordinating functions with which Aboriginal community and service organisations would be integrated. If such assemblies are to be established it would be important that their relationship with local government agencies be explored carefully.

There may be difficulties in integrating Aboriginal organisations in a uniform fashion into the normal local government structure. This difficulty is illustrated by the need for special provisions to meet Aboriginal needs in the Aurukun and Mornington Island instances. A possible solution in some situations might be to provide that local government functions generally or for specific matters could be delegated to Aboriginal community organisations responsible also for other functions.

Even if reforms can be achieved to extend the benefits of the administrative and financial resources of local government status to Aboriginal communities of significant size, it is unlikely that they will be sufficiently flexible to meet the needs of all isolated Aboriginal communities, particularly those which are most isolated and the least developed economically. Viable local government areas will almost certainly be large and will tend to focus on the problems of larger centres of population and the needs of non-Aboriginal productive enterprises. The smaller Aboriginal townships and settlements, at least for many decades, need decision making mechanisms and access to resources supplementary to and independent of those provided by local government and its bureaucracy. It seems certain that these smaller decision making units will continue to be the various incorporated Aboriginal communities and groups and their governing councils and that they will continue to receive grants, either for specific purposes, or as part of more general programs - probably as at present predominantly from the DAA. They will therefore have to develop the infrastructure on which development can be based and will be responsible for the planning and realisation of that development.

In some regions where such communities have a close relationship because of language, ritual, trading or other basis there are interesting examples

such as those in the Pitjantjatjara country of their coming together in loose federations for common action, especially in the political and economic fields. This process sometimes has made possible a pooling of resources to achieve purposes far beyond the capacity of the individual groups. An outstanding example has been the establishment and successful operation of the Nganatjara Airlines wholly owned by the Nganatjara Council - a member of the Pitjantjatjara group which services Aboriginal communities in eastern Western Australia, northern South Australia and western Northern Territory as a transport, purchasing and general commercial agency.

It seems clear to the Committee that the achievement of greater independence for Aboriginal townships and settlements would be greatly facilitated if their efforts could function within a framework of legislatively based decision making and administrative structures which give them access to financial, administrative, and professional resources of the kind available to local governments. It would be important, however, that the means for providing that access should incorporate special provisions to protect the special cultural and other desired qualities of the Aboriginal life-style. The Committee sees possible ways of developing such structures. They may be achieved by the incorporation of Aboriginal communities within an appropriately modified system of local government, such as at Mornington Island and Aurukun, or by the development of regional federations of Aboriginal communities on the model of the Pitjantjatjara Council or possibly some combination of these. There is need for a systematic study of these options as they relate to both the situation and diverse needs of the Aboriginal communities involved. The study we propose should not delay consideration being given to the provision of local government status to those discrete Aboriginal communities who are already carrying out local government responsibilities and are actively seeking such recognition. The Committee sees no reason why continued moves along those lines we suggest need pre-empt the results of the proposed study.

Recommendation 72. A study should be instituted to consider the appropriate means whereby Aboriginal communities, while maintaining their distinctive character, could have effective access to the benefits local governments provide for the members of non-Aboriginal communities and to the resources, financial, administrative and professional, enjoyed by those governments.

Recommendation 73. The Commonwealth should enter into early discussions with relevant, State/Territory governments aimed at encouraging the incorporation of Aboriginal townships as local governments. These local governments should be compatible to other local government bodies, but special provision should be made to preserve Aboriginal cultural identity.

Whatever the local government structure within which Aboriginal communities operate, their capacity to pursue policies directed to forms of economic independence of their own choosing will depend upon their having access to funds within their own management. While, as the experience of Aurukun and Mornington Island has shown, local government status can make a significant contribution, it is not in itself adequate or sufficiently responsive to Aboriginal initiative. Particularly where productive activities not normally part of the non-Aboriginal economy are called for and where

widespread community involvement is required, an alternative or supplementary source may be needed. In some communities where the CDEP is being used, impressive results are being obtained especially where the scheme has been functioning for a number of years and where communities have been able to accumulate funds for specific capital purposes by voluntary contributions from the wage component of the scheme together with prudent use of the 20 per cent 'on-cost' component provided for materials, equipment etc.

The Committee was able to visit several of the limited number of communities where the scheme operates and to participate in a conference of delegates of such communities in Western Australia. The scheme is not generally available to all communities and while many at present excluded expressed a strong desire to have access to it, two at least have withdrawn and a few have offered criticisms of it. Sometimes, this criticism amounted to little more than 'we need more money', but some significant issues were raised, particularly that the CDEP was being used to fund work and projects which were legitimately the responsibility of other programs and agencies.

The view was strongly put that it was unreasonable that the CDEP should be used to finance the basic local government services and major items of the community's physical infrastructure as often was the case. These criticisms were especially relevant in the years immediately following the establishment of the CDEP in a particular community. Despite the frequency of these criticisms no community operating under the CDEP expressed the desire to withdraw from the scheme. The two communities that have withdrawn did so because divisions within the community had led to disputes over administration of the scheme. In one of these cases, at Galiwinku in the Northern Territory, it continues to operate in the outstations or homeland centres related to that township. It seems highly probable that social cohesion is an important factor in the successful administration of the scheme and that if choices have to be made preference should be given to relatively small and socially homogeneous communities.

Recommendations aimed towards improving the financial and administrative aspects of the scheme are made in Section 2 of this chapter. The Committee is satisfied that despite the need for these improvements, the CDEP makes an important contribution to the development of Aboriginal economic independence, enabling them to develop plans requiring more than one year to come to fruition.

Recommendation 74. The Community Development Employment Program should be extended to all Aboriginal townships that are actively seeking to participate in it for the purpose of supporting productive activities that the community itself decides to engage in. This could include supplementary support to municipal activities, community service activities or to income generating enterprises, as deemed appropriate by the Aboriginal communities themselves.

The Committee recognises that there are also Aboriginal township communities that do not choose to participate in the CDEP scheme. At present these communities' only source of funds outside of the DAA local government type funding is the Special Work Projects (SWP) scheme administered by the DAA or the Commonwealth or States and Territories Community Employment Scheme administered by the Department of Employment and Industrial Relations (DEIR). The Committee recognises that the SWP scheme's main virtue is both its

capacity to respond quickly and flexibly to Aboriginal initiative and the fact that decisions about its use are made at the local level. We believe, however, that the scheme should be abolished in its current form and replaced by a Remote Communities Grants Scheme which preserves its existing flexibility but concentrates on enhancing Aboriginal people's capacity to provide for their own livelihood in remote areas. The scheme should continue to be administered by the DAA.

This scheme should be available to remote Aboriginal communities that do not participate in the CDEP, and in the case of Aboriginal townships, funds should be allocated to the stated development needs of the community and thus have a similar purpose and be applied in a manner similar to the 20 per cent on-cost component under the CDEP.

Whilst having already recommended in Chapter 12, the transfer of the CCEP funds to the Community Enterprise Development Fund (CEDF), we continue to see a role for the State and Territories element of the Community Employment Program (CEP) in Aboriginal townships that do not participate in the CDEP. The Committee noted, however, that the scheme does not adequately recognise the particular difficulties of running such projects in Northern Australia. The distances involved in procuring materials and equipment combined with climatic conditions often make it difficult to operate projects within given financial years or normal time constraints. We also see the need in some cases for projects to run for more than twelve months if they are to have any tangible impact.

The Committee also considers that existing CEP guidelines should be amended to allow for part-time work and the complete removal of the community contribution from Aboriginal communities. As was discussed at some length in Chapter 5, there is a serious flaw in the Aboriginal share, between the States and Territories, in the States/Territories CEP. Reforms are needed to the targeting and allocation methods so that Aboriginal placements, and the funds for those projects, more closely reflect the distribution of the Aboriginal population between States and Territories.

Recommendation 75. The Special Work Projects scheme should be abolished and replaced by a Remote Communities Grants Scheme that, in the case of Aboriginal towns, be directly allocated to those towns that choose not to participate in the Community Development Employment Program. This allocation of funds should be ongoing and relate directly to the overall development strategy set by the Aboriginal councils in these towns and specifically relate to uses which promote Aboriginal people developing their own livelihood.

Recommendation 76. Any Aboriginal town that is not participating in the Community Development Employment Program should have access to the States and Territories element of the Community Employment Program. The Community Employment Program's guidelines should be amended to allow for the provision of part-time work, for total waiving for Aboriginal communities of the contribution component and for the possibility of selected projects extending beyond the current twelve months limit. Furthermore, the development of a new method of allocating the Aboriginal share of the States/Territories Community Employment Program between

States and Territories is needed that properly reflects the Aboriginal (and not general) population distribution between States and Territories.

As stated earlier in this chapter we have found that attempts to develop enterprises in remote Aboriginal communities have been based largely on the policy initiatives of non-Aboriginal people and have usually lacked the necessary commitment of capital and expertise to operate effectively.

Coupled with the fact that in remote areas these difficulties tend to be compounded by harsh climatic conditions and remoteness from markets, it is not difficult to understand why there have been so few successes. Nevertheless, it is quite clear to the Committee that where Aboriginal people have been granted effective control over the allocation of resources (as under the CDEP) they are attempting to move away from merely delivering government services and are beginning to take initiatives in community enterprises and development.

In the case of Aboriginal townships, Aboriginal people are seeking access to capital funds so that they can compete for government contracts, upgrade the profitability of their local stores through purchasing freezers to carry a wider range of goods etc., or even to purchase the store, butcher shop or bakery where these are run by the mission authorities.

Nevertheless, the concentration of government funding to Aboriginal townships remains in the area of provision of government-type services with very few funds being allocated for enterprises. For access to those funds that are available, the Aboriginal Development Commission (ADC) has applied even stricter viability criteria to the assessment of projects which generally fail to take into account the necessary longer-term investments of capital that are usually required to achieve positive results in remote areas.

The Committee recognises that in applying the term 'communities' to Aboriginal townships we tend to disguise the fact that these communities are frequently made up of a number of distinct tribal and language groups who have different kinship and cultural obligations. We believe that such groups within communities should be in a position to seek funding on a sub-group basis for the purposes of gaining access to this type of assistance.

Recommendation 77. In recognition of the existing situation of the lack of access to capital for the purpose of establishing or upgrading community enterprises of an income generating nature, the Aboriginal Development Commission should provide capital grants through its Community Enterprise Development Fund to enable Aboriginal town communities to exploit any economic or productive activities. Applications should be considered from community councils or other Aboriginal groups within the towns to establish or upgrade enterprises that have the potential to generate income, even though they may not be considered as commercially viable in the strictest sense (in the short-term), or able to sustain a profit without some ongoing subsidisation. The assistance should include both the capital costs of establishment and some provision for ongoing working capital, as appropriate. Proposals for community enterprises that are oriented towards both local consumption and external marketing (outside of the town) should be considered.

One of the most persistent problems in all Aboriginal communities throughout Australia is the recruitment of suitably qualified staff to assist community organisations. Whilst local government can provide some framework for the stipulation of the type of qualifications key employees require, together with provisions about the duties involved and grounds for dismissal, there still remains a major difficulty in getting access to suitable staff.

In its consultations, the Committee was constantly confronted with examples of problems associated with the employment of less than suitable (often non-Aboriginal) key support staff. These included cases of absconding store managers who leave communities with bankrupt shops, advisers who provide unrealistic and unprofessional advice, and support staff who are incompetent or insensitive to the needs of Aboriginal people. We also recognise that the difficulties in securing well motivated and suitably qualified people are virtually inherent in the institutionalised nature of the communities' relationship with government itself. This, to some extent, currently frames Aboriginal people's expectations of the role of these staff. The lack of qualified Aboriginal staff also clearly reflects the lack of training and effort put into preparing Aboriginal people to take over key positions in these communities.

The Committee believes that a more considered and comprehensive approach needs to be taken by the government in assisting Aboriginal people to deal with the issue of effective staff recruitment. In some areas we witnessed considerable progress with people employed in specific roles that had been determined and controlled by the communities themselves. In other situations this process has not occurred and non-Aboriginal people carry out roles which are less easy to define. One particularly important staffing category which in the Committee's view is unnecessary and, indeed, is frequently undesirable is the 'community adviser'. These people, quite often highly motivated and regarded by Aboriginal people, rarely have the skills needed by communities in the process of establishing an infrastructure and the foundation of their economy. Furthermore, their very dedication and enthusiasm often lead them to impose values on the decision making process which Aboriginal people do not share and result in postponement rather than the promotion of self-management.

On the other hand, Aboriginal people frequently do have need for advice of a practical and technical character. How to do things they want to do, where can they find the person to show them, where do they turn for information, what government department or agency is responsible for a particular function etc. The Committee believes that individual community advisers could with advantage be replaced by groups of experts possessing skills frequently called upon - in building, mechanical maintenance and repair, accountancy and financial matters. These experts could be regionally based in resource centres (see Chapter 17) and visit communities on specific request, combining such work with the conduct of on-site training courses (see Chapter 8). This is already occurring in some areas. For example, the Darwin-based Aboriginal Advisory and Development Service has established a recruitment and training service which provides communities who wish to use it, with a service involving recruitment induction and evaluation of key support staff. If resident non-Aboriginal people are employed they should have specifically defined jobs which relate to the particular skill(s) they have to offer. In all such cases a specific arrangement for training a successor from the community should be made.

The Committee does recognise, however, that in some situations there are indications that Aboriginal people do not want certain jobs. This often relates to the pressures and constraints Aboriginal people face in holding certain positions in their own communities. We therefore believe that whilst the principles advocated here should be more vigorously applied there needs to be a clear recognition of these underlying tensions. In such cases considerable consultation is necessary to define these difficulties with a view to having them satisfactorily resolved.

It became quite clear during our consultations that where there were few non-Aboriginal resident employees, Aboriginal people were demonstrably more forthright in expressing their views and were more in control of their communities' affairs. We consider that there is ample evidence to support our view that a number of non-Aboriginal permanently resident employees should be withdrawn and be replaced either by local Aboriginal people or that the relevant expertise be obtained externally. The Northern Territory Department of Health has successfully led the way in this by effectively training local Aboriginal health workers to replace non-Aboriginal staff on communities.

The Committee is satisfied that while Aboriginal communities frequently need access to professional and technical skills and to information which would enhance their capacity to make decisions on matters affecting their communities, such assistance is often not readily available. In Chapter 8 of the Report we recommend a Community Management Training Scheme and also recommend strong support for the development of accredited modular trade training in Aboriginal communities. However, there can be substantially less criticism of current actual programs than of overall policy and direction. The Committee therefore believes a much clearer policy commitment by the government departments and agencies involved is required if any substantial progress is to be made.

Recommendation 78. Government policy and programs must develop a clearer commitment towards assisting Aboriginal communities to develop appropriate strategies aimed at replacing non-Aboriginal staff resident in Aboriginal townships with local Aboriginal people. The pace of implementation of these strategies will be determined by the individual communities concerned.

Whilst recognising that many Aboriginal communities are actively seeking the means to develop on their own terms, we are aware of others that could be said to be in a state of crisis. The Committee encountered situations where long periods of tutelage have weakened or even destroyed the community's willingness or capacity to determine their priorities or to design a strategy to that end. The responsible government departments and agencies have frequently shown a reluctance to confront such crisis situations apparently on the basis that intervention would infringe self-determination principles. The Committee believes that such situations urgently call for combined action by departments and agencies concerned working with the community itself to help it to identify the nature of the problem and the options open and to devise an appropriate course of action.

An interesting example of such combined action took place in the township of Milikapiti in the Northern Territory which had long been believed to have lost the will to act about its own future. The local representatives of the

various government agencies combined to work with Milikapiti community leaders to identify the community's needs and aspirations and to work out development plans to achieve them. This exceptional example of agencies' combined support for Aboriginal community development produced a remarkable transformation which has enabled the community to obtain local government status, undertake a number of productive projects and generally to move consciously towards greater independence. It demonstrates the role which can effectively be played by representatives of government agencies if they place their combined resources at the disposal of Aboriginal leaders in ways which respect Aboriginal priorities and decision making processes. It demonstrates also the need for a strategy which is based upon Aboriginal priorities, and which sets achievable objectives which Aboriginal people themselves determine.

We recognise that the strategies required for such situations will differ quite significantly according to both the circumstances and views of the communities involved. However, the current approach of seeking solutions only in terms of providing more money or new programs will not assist groups to come to terms with the underlying problems or with one another.

The Committee is concerned that there is a serious lack of identified resources available to both the government and the communities themselves that can adequately respond to such situations. This can be partly addressed through the development of specialist resource organisations as discussed in Chapter 17. However, there must also be a recognition by the Commonwealth government agencies that they have a joint responsibility to respond to these crises by developing appropriate mechanisms that enable the adoption of a united approach by both governments and Aboriginal bodies alike towards developing strategies aimed at overcoming the problems involved.

Outstations/Homeland Centres

In the Northern Territory and South Australia, outstations/homeland centres are located on Aboriginal freehold land, while in Western Australia and Queensland they are on Aboriginal reserves. At present, most outstations or homeland centres are located in the Northern Territory. In 1981 the DAA Community Profiles indicated that there were 151 outstations in the Northern Territory with a total Aboriginal population of about 4000. The latest DAA Community Profiles completed in 1984 indicate that 8124 Aboriginal people in the Northern Territory reside on 277 so-called 'A2' communities. These communities are defined as outstations and other small groups linked to a resource centre. The role of these resource bodies (funded by the DAA) have been crucial in supporting the outstation movement by providing a range of services including co-ordination of the delivery of government support, administration of the CDEP, communications, transport of goods and materials and training. This co-ordination role has helped to ensure that there are appropriate government responses to requests for assistance. We are, therefore, disturbed at suggestions that all ADC funds for outstation housing should go directly to housing associations based in Aboriginal towns. Whilst not questioning the capacity of such bodies to carry out the necessary work, it must be the outstation/homeland centre people themselves who should take receipt of these funds and determine what housing they require and who should construct it.

In describing the outstation/homeland centre movement in Chapter 2, we pointed out that it partly emerged from a calculated decision about available

economic options by Aboriginal people intent on moulding their own economic and social environment.

Along with this reoccupation of Aboriginal land there has been a distinct revival in the Aboriginal subsistence economy, based primarily on hunting, fishing and gathering activities. Coupled with this, groups have adopted a limited range of market foods and contemporary technology for their use. The extent of this market component has been funded primarily by pensions and unemployment benefits and cash earned by the sale of artefacts.

Whilst people are not formally employed under normal definitions of employment they are very much engaged in productive activity. The provision of full-time regular labour market employment would in such circumstances be incompatible with the life-style they have chosen.

However, Aboriginal people who choose to live at outstations and make their main living off the land's renewable resources still suffer the stigma associated with being on unemployment benefits despite the fact that they are engaged in highly productive activities.

In his submission to the Committee discussing Aboriginal employment and unemployment at outstations, Dr John Altman pointed out that these payments are made to people on the basis of assumptions that Aboriginal family structures and social and economic practices are similar to those of other Australians.

Unemployment benefits are currently paid to household heads only, yet the work effort at outstations indicates that women are equally engaged in subsistence production. Also, the payment of unemployment benefits does not recognise the existence of polygamous households or the extent of community based organisation of production and distribution.

Aboriginal people in other communities have made clear statements about the negative effects of payment of individual unemployment benefits. It is just as important in the outstation context that Aboriginal people maintain control over social and economic changes - rather than these transformations being externally imposed by the administrative procedures of the Department of Social Security (DSS).

The only example we could find of where this type of issue has been comprehensively addressed is in Canada where an Income Security Program has been developed providing cash payments to Cree Indians who demonstrate a commitment to living off the land. This scheme resulted in the removal of the negative stigma of being on welfare transfers and recognised subsistence hunting and gathering as a viable way of life.

This scheme not only recognised the operation of subsistence production as valid employment but contained binding provisions guaranteeing such matters as Cree priority over hunting and fishing, wildlife management aimed at securing the subsistence economy, and obligatory consultation and participation in protecting and limiting the effects of development activity on the indigenous people and the environment. [See Feit, 1983, *The Income Support Program for Cree Hunters in Quebec*: In Peterson, N and Langton, M (Eds) *Aborigines, Land and Land Rights*, Australian Institute of Aboriginal Studies: Canberra.]

Payments made under the scheme (administered jointly by the Cree and the Quebec government) accord with Cree traditions and are determined by the amount of time spent away engaging in pursuing a wide range of activities - it is not merely a guaranteed income scheme, its main payment is based on performance of subsistence activities. Although we considered recommendation of a similar scheme here, the Income Security Program in Canada has the advantage of being a part of a broad negotiated agreement that has legislative force and is only subject to change with the agreement of the Cree. We see major difficulties in Aboriginal people securing such an agreement and believe that the CDEP (with modification) probably provides the best mechanism to provide similarly based ongoing cash support and recognition of traditionally based productive activities.

For example, under the CDEP, women's productive effort can be rewarded and communities may decide to match the payment of wages with individual productivity - something that is in keeping with the distribution of subsistence returns in Aboriginal society.

The CDEP has been introduced only relatively recently into outstations, particularly in the Northern Territory. However, it is already apparent that Aboriginal people are responding to the scheme in a positive manner. The provision of guaranteed income along with a capital component has helped consolidate the homelands movement and enabled groups to undertake development according to their own requirements.

This has helped precipitate a greater interest by Aboriginal people in various types of training that link directly with skills required to maintain outstation living. Principally, the needs are for training in basic literacy and numeracy; maintenance of vehicles, bores, pumps, etc.; radio communications; first aid and basic health; and other skills that might make communities more viable. As already recommended in Chapter 8 we see an important role for DEIR specialist Vocational Officers in responding to specific requests for these types of on-site training.

With the sustained development of the outstation movement over the last 15 years or so, governments have come under increasing pressure (not always from outstation residents themselves) to provide various government services.

There is a clear challenge here to ensure that such services are not provided in a manner where dependency on non-Aboriginal people is either re-established or maintained. This issue relates just as much to the provision of appropriate technology where facilities can be effectively run and maintained by communities themselves as it does to people getting appropriate training to provide services they consider necessary. Although outstation resource centres have to date provided a necessary buffer and filter in this process, the Committee believes that, as argued earlier, more concerted efforts must be made to place control of the allocation of funding into the hands of Aboriginal people themselves. In this regard we also noted that funds have only become available relatively recently to support the outstation movement in both Western Australia and Queensland. Resource centres in these areas are generally poorly funded and lack sufficient human and capital resources to effectively assist outstation groups. Furthermore, there is a lack of capital funds available to meet initial establishment costs at outstations. The Committee is convinced that there is considerable justification for significantly more funds to be allocated to this area and consider that the current inquiry into Aboriginal homeland centres being

undertaken by the House of Representatives Standing Committee on Aboriginal Affairs should give this issue due consideration.

Recommendation 79. All homeland centres or outstation groups should have access to the Community Development Employment Program if they are actively seeking its implementation. The Community Development Employment Program, in this context, should be viewed as an ongoing form of cash support in recognition of traditionally based employment and productive activities.

Recommendation 80. In the case of homeland centres or outstations who choose not to participate in the Community Development Employment Program, the Remote Communities Grants Scheme should enable a direct and ongoing allocation to be made to those groups to meet capital needs that will enhance their capacity for self-sufficiency.

Recommendation 81. The funds available under the Community Management and Services function of the Department of Aboriginal Affairs providing one-off establishment grants to individual homeland centres or outstations should be available to all such groups, regardless of whether they receive assistance under the Community Development Employment Program or the Remote Communities Grants Scheme. Moreover, the provisions under this function should be expanded to include the purchase of new and replacement capital items that are required to enhance the capacity of homeland centre or outstation residents to become self-sufficient.

It is also important to consider the manner in which the capital component of the CDEP can provide much needed capital to outstation communities. In some instances it could be used in projects aimed at strengthening the subsistence base of outstations. These could include the intensification of existing flora and fauna resources particularly in Central Australia, whilst small projects to raise introduced fauna species such as cattle and buffaloes, or floral, like fruit and vegetables, may also warrant consideration by outstation groups.

Considerable work has been carried out in countries such as Canada to consider the effect of sustained traditional hunting and gathering activities on the environment with a view to developing appropriate conservation techniques and maximising existing resources.

There is strong evidence to suggest that the yield from the natural flora and fauna could be greatly increased for direct use and consumption and possibly for sale. Little or no research has been carried out to assess the pharmaceutical potential of Australian flora or to increase the yield of native fruit bearing plants. The Commonwealth Scientific and Industrial Research Organisation (CSIRO) wildlife research has concentrated primarily on aspects of interest or concern to non-Aboriginal people. Existing knowledge could almost certainly provide the basis for increased productivity in the Aboriginal context and further research and experiment on lines similar to those followed by Michael Last at Ernabella in Central Australia could take this increase further and also introduce species diversifying and expanding the present resources in ways compatible with Aboriginal life-styles. The

proposed Aboriginal Land Councils-CSIRO Conference on Land Use to be held in October 1985 could explore these prospects.

Recommendation 82. The Commonwealth should encourage the Commonwealth Scientific and Industrial Research Organisation to research means of enhancing the subsistence bases of Aboriginal outstation communities particularly in Central Australia. Research priorities should be determined in close consultation with Aboriginal people in the areas involved.

As mentioned earlier the main source of productive (or non-welfare) cash income in outstations is artefact production. While there is also some significant production in Aboriginal townships and on pastoral properties, outstation groups remain the major producers.

The reassertion of these producers' cultural identity and their need to gain additional cash for purchasing market goods, together with an increased appreciation both in Australia and by overseas tourists of Aboriginal material culture, has led to a major upsurge in production.

There are now estimated to be 5000 producers of Aboriginal artefacts most of whom reside in Northern Australia - 60 per cent of artefacts (by value) originate in the Northern Territory. There are large areas such as the whole of Western Australia and much of Queensland where, except in some isolated cases, the industry is grossly under-developed; and few opportunities for Aboriginal people to work as artists have been developed.

Returns to the artists have stagnated in recent years with most producers gaining a return of only about 16 to 33 per cent of the final sale price depending on the location of retail outlets. It is clear that the producers' returns become appreciably smaller when artefacts are sold in distant markets, with most overheads involved in renting premises and establishing sales outlets flowing to non-Aboriginal interests. [See Cooke, P (1983), Policies and Strategies for Future Funding of Aboriginal Community Craft Centres in the Top End of the Northern Territory, The Northern Territory Museum of Arts and Sciences Darwin; Altman, J C (1984), Marketing Aboriginal Art and Craft: Some Economic Realities and Subsidisation Options, Australian Institute for Aboriginal Studies Biennial Conference Paper 1, Canberra.]

Outstation producers have in many cases no other means to influence their access to additional cash income - they therefore have little choice but to tolerate the abovementioned situation and continue to produce artefacts. A feature of the industry is the number of transactions that an artefact may be involved in between production and sale with each middleman taking their cut before a sale is actually concluded. The industry has three main retail tiers - the community craft centres, Inada Holdings Pty Ltd (a southern based marketing company owned by the ADC) and private outlets.

Producers are extremely geographically dispersed and isolated - in general, all artefacts are collected by community craft centres. Producers are not encouraged to deal directly with buyers (on the assumption they will be exploited). The fact that most community craft centres are located in closed Aboriginal townships on Aboriginal land has ensured that most production must be sent away to be sold.

Craft centres such as Mimi located in Katherine are open to tourists and sell a good deal of their produce locally. This ensures producers a higher return. In its submission to the Review, the Aboriginal Arts Board (AAB) pointed out that where such organisations have been developed they have proved that a locally owned and controlled organisation can provide a viable and ongoing operation that offers regular employment and income for hundreds of producers.

Another cause of the decreased return to producers is government pressure for the industry to become financially self-sufficient. The Committee considers that the aim of self-sufficiency is neither realistic nor appropriate to the industry at this stage. The Committee is of the view that if the producer is to gain a greater return then the industry needs to go through a sustained period of support subsidy, the alternative is a rapid decline in the industry.

While the potential economic benefits of art and craft production are self-evident, there are other less easily distinguished social benefits which are just as important to the artists and their communities, especially its important role in the preservation of Aboriginal cultural heritage. This is also of importance to the whole Australian community.

A removal of subsidies would hit producers hardest - mainly because they presently have no control over their returns and are not geographically or politically placed to argue their case living as they do in small remote outstation communities. Funding strategies should be based on the total significance of Aboriginal arts and crafts to Aboriginal people - not exclusively on commercial aspects.

Subsidisation of Aboriginal arts and crafts marketing comes mainly from the Aboriginal Arts Board in the form of funding of community craft centres, whilst the DAA, the ADC, the Aboriginal Benefits Trust Account (ABTA) and State governments provide limited support usually in the form of one-off capital grants.

The producers themselves also provide funds towards the marketing of their work by allowing their local craft centres to accumulate operating surpluses. In 1982-83, for example, the AAB provided \$150 000 for the five Top End community craft centres with the craft centres themselves contributing \$140 000 from their operating surpluses.

These locally controlled craft centres are central to the entire industry. Their establishment has encouraged people to produce for the market and provided a buffer for artists to resist undue pressure from the less savoury aspects of commercialisation. However, the physical infrastructure of many of the craft centres is substandard and they lack proper facilities to store and conserve artefacts prior to sale. They have constant difficulties with a lack of cash reserves to pay producers a fair return at times of peak production and the Committee is of the view that funds should be made available to craft centres in the form of cash floats for buying purposes.

In relation to the marketing of art and craft, the Committee believes there should be a greater concentration on marketing artefacts locally thus shortening the marketing chain, rather than sending artefacts to southern markets to sell to tourists. We are aware of the arguments for the establishment of regional craft/cultural centres. These proposals would seem

to have increasing weight with the rapid growth in the Northern Territory tourism industry. The AAB argued in its submission to the Committee that experience has shown that the success of existing craft organisations is greatly enhanced by developing a regional arts centre in areas where the art can be sold direct to the public.

It seems commonsense to market art in places such as Kakadu National Park, Uluru National Park, the Katherine Gorge and at Nhulunbuy. A combination of lower transport costs, low overheads, more direct markets (plus a means of educating the public in Aboriginal history and culture) make these centres likely to succeed.

These centres should not only provide items for sale but include a permanent collection area featuring a full range of art from the area with the aim of enabling visitors to develop an understanding and appreciate Aboriginal material culture. The great advantage of such centres is that Aboriginal people can use their own cultural resources to find employment and do it on their own terms. In this way Aboriginal people are in control of how their arts and culture are presented. Regretably, unless Aboriginal people receive the resources to develop these centres quickly, then non-Aboriginal operators will soon take control of the cultural tourism business and the Aboriginal people will be in danger of being exploited financially, losing potential employment in the industry, and of having their culture trivialised and ultimately destroyed.

Some art fellowships have been awarded by the AAB to famous Aboriginal artists in the Northern Territory, a process similar to grants made by the Australia Council to other Australian writers and artists. These grants provide artists with an assured cash income and leave them to work without due regard to market pressures. The Committee considers that such fellowships should be extended to other Aboriginal artists to recognise, as much as nurture, this important part of the nation's heritage.

Recommendation 83. A review should be made of the current arrangements relating to the marketing of Aboriginal arts and crafts particularly as regards to the Northern Territory. The objectives of such a review should be to determine why returns to producers are stagnating, examine means by which returns to artists can be maximised, and consider the potential for development of regional marketing centres/museums in Northern Territory national parks under local Aboriginal control.

Recommendation 84. In view of the cultural significance of Aboriginal arts and crafts the Aboriginal Arts Board should increase the number of fellowships currently available to Aboriginal artists.

Pastoral Properties

Our discussion in Chapter 2 of the major structural changes that have occurred in the pastoral industry underlined that Aboriginal people have not had the economic or political muscle to influence those changes that have had negative ramifications for Aboriginal people. Moreover, there has been no sustained attempts by government or the pastoralists to maintain Aboriginal employment in the industry. In fact, the position of Aboriginal people in these

situations has undoubtedly deteriorated. In many instances their living conditions still equate with those described in the 1960s [see Kelly, J H (1966), Struggle for the North, Australian Book Society; Stevens, F (1974), Aborigines in the Northern Territory Cattle Industry, Australian National University], while their employment status has declined rapidly owing to recession in the pastoral industry.

Although some Aboriginal contract musterers operate in Western Australia and North Queensland largely on their own initiative, little or no government support has been given to encouraging this type of employment.

Whilst Aboriginal pastoral industry employment levels have dropped there has been a consolidation in numbers of Aboriginal people living on pastoral properties particularly in the Northern Territory and Western Australia. In fact there is clear evidence that people who were forced off pastoral properties by pastoralists or who went to towns seeking new opportunities are seeking to return to their former homes for reasons similar to those behind the outstation or homeland movement.

The Committee generally found that the prospects for people living on most pastoral properties are very bleak indeed, with people expressing their anger and frustration over what they see as continuing rhetoric and broken promises by successive governments in addressing their plight.

At one pastoral station known as Hodgson Downs which the Committee visited in May this year, the despair of the Aboriginal people living there was brought clearly home to us.

Hodgson Downs is located 200 kilometres south-east of Katherine in the Northern Territory and consists of a pastoral lease of some 3232 square kilometres. About 100 Aboriginal Alawa speakers live on the lease one kilometre from the station homestead. The lessee is in clear breach of covenants, the pastoral lease has not been worked for eight years, there has been no resident manager or caretaker for six of those, and fencing is either down or burnt out.

Negotiations for an excision of two square kilometres for an Aboriginal community living area commenced in July 1973 with the absentee, overseas-based owner. Twelve years later the excision is still to be finalised. Whilst agreement in principle to the proposal was provided by the then lessee in 1974, constant stalling tactics have prevailed since then. During the Committee's visit to the station the community was informed by departmental officers that ownership of the property had again changed hands and negotiations would need to recommence with the new lessees.

Lack of title inhibits provision of substantial government assistance other than prefabricated substandard housing and a poor water supply. Similarly, such communities are not well-placed to effectively compete for funds under the CEP, the SWP or the CDEP and subsequently they have extremely limited scope to improve their depressed situation without some form of title.

Community leaders complained bitterly about their inability to do something for themselves. They talked about a lack of work opportunities, of their offer to the owners to conduct a joint muster which they claimed was rejected out of hand, and of their loss of control over their younger men and women.

In October 1970 the Federal government established a Committee of Inquiry under the chairmanship of Professor C A Gibb to review the situation of Aboriginal people living in pastoral properties. In the Committee's Report to the government in 1971 [Gibb Committee, (1973), The Situation of Aborigines on Pastoral Projects in the Northern Territory, Report of the Committee of Review December 1971 Parliamentary Paper No 62 of 1972 Canberra: Australian Government Publishing Service], it recommended that:

"In appropriate areas land be obtained by excision or sub-lease from pastoralists for limited village, economic and recreational purposes to enable Aboriginal people to preserve traditional cultural ties and obligations and to provide them with a measure of autonomy."

Despite the fact that successive Commonwealth governments and the Northern Territory government have endorsed this recommendation, progress has been slow and only nineteen sets of negotiations have been finalised in the Northern Territory. In Western Australia only seven sets of negotiations have been completed. Information from both areas indicates that 58 proposed excisions are still outstanding.

This situation has been generally inadequate because of lack of sufficient follow-up in terms of appropriate legislation to clearly define the process by which excisions can be obtained and to provide for arbitration when there is unnecessary delay or stalemate reached in negotiations. Whilst the Commonwealth is seeking to address this issue in its Preferred National Land Rights model, it appears that the needs of Aboriginal people on pastoral properties are again fading into the background as arguments continue between the government and Aboriginal Land Councils over the appropriateness of the proposed legislation.

The Committee believes that there can be no progress towards developing any sort of economic base, and thereby employment opportunities, until people such as those at Hodgson Downs can gain the necessary independence and autonomy to start making decisions for themselves, not remaining as they are at present - largely at the mercy of the current set of owners.

While the provision of land for Aboriginal residential and community purposes by excision from pastoral leases enables some Aboriginal people to maintain contact with land traditionally important to them and to develop a more acceptable life-style, it will not make a significant contribution to their economic independence. Consideration should be given in individual instances to the negotiation of 'share farming' partnerships between pastoralists and resident Aboriginal people under which those Aboriginal people are authorised to 'run' on the property agreed numbers of specially branded cattle to provide the basis for a small killer herd and for sale with the proceeds being shared with the pastoralist.

If the CDEP were available to communities on such properties it would be easier for them to develop small scale productive activities, contributing to their own subsistence and developing the infrastructure for their social and economic future.

It is also important to consider the fact that the Brucellosis and Tuberculosis Eradication Control program (BTEC) is having the effect of making certain areas in the north no longer economically viable for cattle production. The Committee is aware that the Northern Territory government and

the Commonwealth are already giving consideration to resumption and purchase of certain pastoral leases to establish national parks. This development could create substantial opportunities for Aboriginal people for employment as rangers, similar to the very successful such initiatives at Kakadu and Coburg National Parks, and in the tourist industry.

Substantial work may also be required in reinstating natural fauna and flora where over-grazing by cattle and buffalo has occurred. The Committee believes that the Commonwealth should seek early discussions with the Northern Territory government aimed at maximising Aboriginal joint management and employment in national parks particularly where there is evidence of strong Aboriginal traditional attachment.

In the historical context, improvement in the economic position of Aboriginal people in pastoral communities has been a slow and a hard fought process. Until recently pastoral communities because of their isolation and, in some instances, position of almost tutelage to pastoralists, have been unable to collectively lobby in an effective way on land matters and other economically and socially related issues. What pressure they have been able to apply has led to some pastoral properties being purchased for Aboriginal groups in South Australia, Western Australia, Northern Territory and North Queensland by the ADC and its forerunner, the Aboriginal Land Fund Commission.

The majority of these properties have been purchased for social rather than economic reasons with the ADC exhibiting an increasing unwillingness to provide ongoing funding for development purposes under its increasingly strict criteria of financial viability (with limited emphasis on social benefits).

The Committee is aware that the reasons behind the sale of some pastoral properties to Aboriginal interests lie in their lack of commercial potential other than for open-range harvesting. We recognise that the costs associated with developing these properties to the BTEC requirements are prohibitive and that in some cases people will probably only retain a small killer herd for local use.

Nevertheless the Committee believes that the ADC's attitude of leaving these groups to battle on their own or to shift the onus on to bodies such as the Aboriginals Benefits Trust Account to fund such concerns shows a strong disregard for the interests of Aboriginal people on these properties. For instance, we note with concern that the ADC proposes to decrease by half its funding of existing enterprises in Central Australia for the 1985-86 financial year and has ceased providing funds for new purchases. The Committee sees the pastoral industry in the long run providing a major base for the growing independence of Aboriginal people of Northern Australia. If this expectation is to be realised it is important that the expansion of pastoral lands available to them be resumed and that a conscious policy of strengthening their involvement in the industry be pursued.

The Committee believes that not only should the ADC be involved in purchasing more properties for Aboriginal people (see Chapter 12, Section 1), it should be taking a far more dynamic and broader based approach to, and assessment of, their future development. In this regard the recent establishment of the Central Australian Aboriginal Pastoralists Association (CAAPA), funded by the ADC and the ABTA, provides an example of the type of approach that should be considered. The Association has established itself as a resource for Aboriginal pastoral properties in Central Australia providing

support especially in commercial and managerial matters. It has developed a strategy under which these properties have combined to establish their own abattoirs concentrating on sales to Aboriginal community stores and its own retail butcheries in Alice Springs and other townships. This strategy serves both to strengthen the economic independence of the pastoral enterprises while protecting them to some extent from the vagaries of the market in major cities and the export field. It is a model which might be studied for possible application in other parts of Northern Australia.

Recommendation 85. The Aboriginal Development Commission should give high priority to a dramatically expanded program of purchasing pastoral properties in remote areas of Australia. The bulk of this assistance should be by way of grants from the Aboriginal Land Fund in recognition of the fact that many of these properties will contribute to the support of larger numbers of people than would normally be the case and that the potential for commercial economic viability without assistance will be limited.

Recommendation 86. The Aboriginal Development Commission should provide ongoing working capital to Aboriginal pastoral properties, by way of loans and/or grants as appropriate, from its Community Enterprise Development Fund, when the owners are attempting to establish or increase the income generating capacity of the property.

Recommendation 87. The Community Development Employment Program should be available to any Aboriginal group living on pastoral properties that actively seeks its introduction.

Recommendation 88. The Remote Communities Grants Scheme should be available to any Aboriginal group living on pastoral properties who choose not to participate in the Community Development Employment Program.

Recommendation 89. Any Aboriginal community living on a pastoral property that is not participating in the Community Development Employment Program should have access to the States and Territories component of the Community Employment Program.

Recommendations 90. The Commonwealth government should give consideration to pursuing separate legislative action in enabling the passage of the community living areas component of the proposed Preferred National Land Rights legislation.

Recommendations 91. The Commonwealth government should pursue early negotiations with the Northern Territory and Western Australian governments in relation to lands no longer considered viable for cattle production and being considered for national park development or regeneration areas. These negotiations should include consideration of

14. DEVELOPMENT IN ABORIGINAL COMMUNITIES LOCATED IN OR AROUND SMALL
NON-ABORIGINAL TOWNS

It is this group of people - around 35 per cent of the total Aboriginal population - who are the least catered for in the current employment and training policy and programs. They comprise a diverse collection of communities ranging from the traditionally oriented occupants of the various town camps in Katherine, Northern Territory, to the town and reserve dwelling groups of places such as Bourke in New South Wales.

Some of these communities exist in a state of total depression. Not only are they poor, without facilities (even basic facilities in some) and with little involvement in the social and economic life of the towns, but as communities they are often demoralised and dispirited, lacking the internal structures and organisation to bring about the changes needed to improve their condition. In such circumstances a concerted effort is required between government and the people which takes a community development approach, and requires a high degree of co-ordinated action.

The present delivery of government services to Aboriginal people in these circumstances is very poor. There appears to be almost a lack of interest in them, or a belief that the situation is so bad as to be hopeless. While this Committee can recommend programs to assist these people, only a much greater intensity of activity will give effect to those programs. We have already referred to circumstances at Milikapiti in the Northern Territory, in which a combined and concerted effort by government departments and agencies has assisted a community to deal with its social and economic circumstances. Such an approach is needed for many of these rural town communities.

The Committee wants to stress the role of local Aboriginal resource agencies in the development of these communities. Such agencies, with specific functions, are essential to providing the local level structures to deal with the situations on a day-to-day basis. Such existing organisations will need to be strengthened and in some cases new ones will be required.

The economic/employment backgrounds of these communities are quite diverse. Many have had a history of involvement in the pastoral and other rural industries of their areas. Others have had new industries and towns develop in their vicinities, but have gained little if any employment as a result of them. The experience of others has been limited to that provided by the government funded economies of Aboriginal reserves and missions.

Thus these communities are more likely to be made up of people with experience of involvement in a local rural industry than in town based activities. Opportunities for rural work have been declining for a considerable period, intensified by an accelerating process of mechanisation rapidly replacing unskilled labour. The first to be affected by this decline are those considered least skilled, and Aboriginal people are in that category. Invariably, the last people put off are the families and friends of the employers. The reliance of rural properties on family labour during hard times is a natural and inevitable response.

Aboriginal people suffer all round because they lack both the skills for new types of jobs which may emerge and they do not own properties or enterprises. While there is probably little that can be done to offset the forces of economic rationalisation in these towns, government action can, and ought to, be taken better to insulate Aboriginal groups against the disproportionate effect such forces have on them. The two necessary steps are the provision of skills for, and access to, employment in less vulnerable areas of the labour market, and the purchase of properties and enterprises to be run by the Aboriginal community. The Committee is convinced that the second of these will be the major means of improving Aboriginal employment in rural towns.

In this chapter we explore these two factors. The approach is consistent with that adopted throughout much of this Report in that, once again, the link between employment and Aboriginal equity in local resources is a critical factor, enabling the expansion of the economic bases on which they might build more secure employment opportunities. Indeed, the Committee argues that unless action is taken to give Aboriginal communities a better foothold in their local economies, little can be done to significantly improve their employment situation.

14.2 THE NEED FOR LAND AND COMMUNITY ENTERPRISES IN RE-ESTABLISHING AN ECONOMIC BASE FOR EMPLOYMENT

The Committee wishes to make clear that it is talking here about land as an economic resource in the sense of its use to assist in the provision of livelihood for Aboriginal people. Land ownership provides the scope for enterprises which can range from totally commercially viable operations to subsistence activities. At both ends of the scale, Aboriginal people would be employed with the numbers involved, and the degree and type of return, being determined by the nature of the undertaking, which would in turn be determined by the interests and needs of the people involved.

Ownership of property in the rural town areas will usually involve Aboriginal people in the operation of particular rural industries. There are already a number of such properties. Some provide substantial employment opportunities in the local community. Others are not developed on economic lines at all and are, in the main, places of residence.

The social aspects of ownership of such properties are important, but the Committee was concerned to see in a number of places their redevelopment as virtual Aboriginal 'reserves' where almost all provision for livelihood is still dependent upon outside resources in the form of government programs.

Perhaps more important in this context is the manner in which programs, particularly employment creation and training programs, are made available in these circumstances. For example, the payment of 'trainee' wages at award rates, for work in situations which can never hope to sustain those rates for the number of people involved, contributes to false expectations as to the capacity of the particular venture. Equally, if employment creation is to consist only of projects providing wages for people to undertake community facility development and which make no direct contribution to the eventual ability to produce a livelihood, it is not going to assist the long-term employment prospects of the participants. The Committee observed situations where this approach was occurring in various parts of the country. In some cases there was no clear distinction between support for the property development itself and the training of Aboriginal workers for other opportunities in the regular labour market. Such distinctions are essential if effective support is to be provided in either case. What such rural property ventures need is not wage subsidy support, but capital, and effective training

support. The Committee suspects that a number of cases in which wage subsidies have been, in its view, inappropriately applied have occurred precisely because the nature of capital funding was not adequate for the development to occur.

For some Aboriginal rural town communities land ownership provides the opportunity to return to desired ways of life which will dissociate the people from undesired aspects of town life; often including an enhancement of subsistence economic activity. In some instances this is not dissimilar to the remote community outstation developments. Community enterprise in these situations must be established and supported on a realistic basis. That basis has been described in Chapter 12 where we recommended the establishment of a Community Enterprise Development Fund to be administered by the ADC.

Many of these land based, rural Aboriginal enterprises are likely to continue to employ (or engage in the activity) more people than any surplus production is capable of providing award level wages for. This is a valid decision on the part of the people involved. The continuation of basic cash support for such community enterprises through the Community Enterprise Development Fund or the Community Development Employment Program (CDEP) is a much more sensible approach than the current admix of wage subsidy and employment creation programs, which continue to raise and lower incomes (and expectations) and distract from the purpose of the enterprise to provide for the livelihood of the participants.

In addition to land based enterprises, it may be possible in rural towns to establish town based enterprises of a community nature. These would be clearly distinguished from enterprises established for reasons of commercial viability. Such community enterprises would typically continue to use more labour than the enterprise would normally support and would remain assisted through the Community Enterprise Development Fund.

Recommendation 115. The government should adopt a policy of support for Aboriginal community industries in and around rural towns under the Community Enterprise Development Fund.

Recommendation 116. The Aboriginal Development Commission should step up considerably the purchase of properties and businesses for Aboriginal rural town dwellers which they can utilise as a base to develop enterprises according to their needs and wishes.

Recommendation 117. The Department of Employment and Industrial Relations should provide for training of the workforce of these community enterprises on the basis of meeting actual training costs. Wage subsidy programs should not be made available.

In addition to community enterprises the opportunity for the purchase or establishment of economically viable enterprises (as outlined in Chapter 11) must be pursued. Within rural towns, employment opportunities are heavily influenced by ownership. For many Aboriginal people, increasing their access to employment means owning the businesses which provide the jobs.

A secondary factor in this is the effect of such development on the overall local labour market. Aboriginal people working in Aboriginal enterprises are able to increase their network contacts through which other jobs become available. The economic effects on competing enterprises, through Aboriginal purchasing power, is also likely to stimulate other employers to take on Aboriginal employees to regain custom.

In dealing with Aboriginal unemployment in rural towns, the need to give Aboriginal people this type of foothold in the economic base is fundamental. It represents the one major step which can alter the present structural situation and ultimately equalise opportunity for Aboriginal people. As such it must become the prime new focus of government attempts to deal with Aboriginal employment in these towns (much of what is recommended in the section on the 'Regular Labour Market' being an expansion and refinement of current arrangements).

The Committee was concerned at the lack of government support for Aboriginal enterprise in rural towns, but heartened by the growing awareness of Aboriginal people of the need to break into this area. The lack of support stems from the inability of government to come to terms with the timeframe for enterprise development, with the degree of success which might be expected, or with the requirement for effective development planning.

We believe this area must be greatly expanded. In addition, a more structured approach is needed to the co-ordination of training and enterprise development. It is obvious that many of the past problems are the result of poor planning and preparation, lack of skills and ineffective management. All of these can be overcome through appropriate approaches to development.

At the outset, discussions with rural town Aboriginal communities about meeting employment needs must include enterprise development as the major option. This process should involve increased use of the DEIR programs to explore options and investigate the total requirements of enterprise development. Indeed there is scope for this to occur in a very general sense initially, not necessarily related to specific enterprises. Once the direction becomes clearer the DEIR programs can be used to pre-train (again not merely subsidise wages) potential participants. Such training assistance should remain available through DEIR in order to increase the viability of the eventual enterprises after their establishment.

Wage subsidies should not be provided to the staffing of commercially viable enterprises. Rather, they should be established on a properly funded basis with a degree of working capital to provide for wages initially, but with the requirement to produce the financial return, including wages, as a result of the enterprise operation. Realistic timeframes should be set taking into account the almost entire lack of experience of rural town Aboriginal people in the running of business enterprises.

Obviously the government approach to management of the development of such enterprises needs to change from the current passive and wary monitoring role to one of management assistance involving problem solving and target setting. Results in terms of profit making or even self-sustaining businesses will not be achieved overnight.

Recommendation 118. The government should endorse as the major policy approach to reduce Aboriginal unemployment in rural towns the creation of employment through Aboriginal community and profit making enterprise development where the income for participants is partially or wholly generated by the enterprise itself. The Aboriginal Development Commission should considerably expand its program of enterprise purchase and development in rural towns.

In some cases the distinction between what we have called community enterprises and those established on strict economic viability criteria will become unclear. It is important that in relation to the former there continues to be the opportunity to increase the return to the participants in terms of cash income. It may well be that some eventually expand into being economically self-supporting and perhaps even profit producing.

If continuing development is to occur through such enterprises there will be a need for ongoing services to be provided. At the present time employment and training and development consultations with these communities is limited to visits by Vocational Officers, with varying degrees of frequency, and very spasmodic ADC attention.

The Committee believes that the government needs to expand its resources to deal with these rural town people. We note that one of the purposes of the CES/AE&TB integration policy in the DEIR is to free up Vocational Officers to spend more of their time with Aboriginal communities in areas where no CES service is available. We applaud this but point out that more staff will be needed to carry out the service properly. Similarly, the ADC will need to considerably expand its capacity to provide advice in these areas.

The establishment of Aboriginal owned and controlled resource agencies providing regional support to particular industries will also greatly enhance enterprise development in rural towns. This concept is developed further in Chapter 17.

The government should be under no illusions that other than long-term programs and services are needed in these rural areas. It is difficult to say how quickly the change in approach can be expected to alter the current situation, but it certainly cannot be achieved in a few years.

Recommendation 119. The Department of Employment and Industrial Relations and the Aboriginal Development Commission should develop the resources for effective service delivery to Aboriginal people in rural towns and these services should be sustained until Aboriginal unemployment is no greater than that of non-Aboriginal people in similar situations.

EAST KIMBERLEY PROJECT WORKING PAPERS 1985

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