A new deal for Indigenous Australians

Liberal MP Alan Tudge says we need a new approach to dealing with remote Indigenous disadvantage.

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There is a tacit deal for remote Indigenous Australians that is not working. Indigenous Australians have been supported for the last 40 years just to exist in a place of their choice, as a guilt-ridden nation’s act of compensation for past mistreatment. Low requirements of participation in education and work have been part of the deal.

I do not intend any disrespect in so plainly stating this. But to improve policy we must be truthful about its deep foundational roots. Subsidised indigenous disengagement is not simply an accidental policy tendency: it is a policy principle based on tacit agreement which has the force of an unwritten constitution.

Every government program and policy works within the confines of this deal. Government not only subsidises living in places that are not economically self-sufficient but it has created incentives, particularly in housing, that actively encourage immobility and disengagement.

There would be no reason to bring this up if the tacit deal improved Indigenous Australians’ lives, but the social and economic results are appalling. Students are three to six years behind mainstream levels, work is almost nonexistent, violence and abuse is unacceptably high. In the last 10 years, $35 billion of government expenditure has achieved almost nothing, as revealed in a Finance Department report earlier this year.

The government is tinkering at the edges, attempting to normalise social housing and quarantine welfare payments. Such policies make no difference to the basic principle of the deal: government-funded disengagement.

In mainstream Australia, townships that are not economically viable begin to shrink. Economic forces create an underlying disincentive for depressed communities to continue in their present state. Sometimes residents will create new opportunities to reinvigorate their communities. But either way, the economic forces are inescapable.

Remote communities are immune to such forces. Entire communities are built on government payments and services. Individuals do not need to look for work outside their communities to continue to receive welfare, which effectively means they do not need to look for work. If the population grows, we consider there is a housing shortage that the government must address.

We have built a system that preserves a status quo of settlement in remote regions, irrespective of internal dysfunction or economic forces.

JOBS IN REMOTE COMMUNITIES

Official rhetoric on remote economic development does not confront the problem. The only academic theory of employment in remote communities is the ‘hybrid economy’ model developed by ANU Professor Jon Altman. Professor Altman envisions that indigenous people can make a living by combining three economies: customary food-gathering, government support (including employment in environmental services) and private sector income such as art production.

Altman concedes that a hybrid economy cannot close the income gap, but argues that it is a viable choice for people who don’t have mainstream values, aspirations or needs.

Making assumptions about cultural difference is not a sound basis for policy. In the modern world, reliance on subsistence activities and limited involvement in the real economy is just as impossible for Indigenous Australians as it is for other Australians.

Land-based economic development, promoted by leaders in Cape York and the Kimberley, is in principle a more realistic idea than living halfway between traditional subsistence and modernity. The intention is to involve indigenous people in existing or potential businesses in remote areas such as primary industries, resource development, high-value tourism or fishing.

The problem is that only a minority of people have the inclination or the skills to see a future in land-based development, or to be involved in business development.

In 2010, over 1,000 people became gainfully employed with the support of Indigenous Business Australia’s investment programs — but three quarters were non-indigenous people, drawn from the nation-wide pool of job seekers. This doesn’t reflect badly on Indigenous Australians, it just shows that indigenous people are like other people: they are unlikely to move directly from unemployment to challenging economic development,
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Leadership: Noel Pearson appearing before a Senate inquiry. Source: Newspool.

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Jobs: Only paid employment can bridge the gap. Source: IPA Review

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and are no more likely to be successful entrepreneurs than anybody else. In government reports, the lack of remote employment growth is hidden behind an improvement in urban and regional indigenous employment. The only examples of actual or prospective remote employment growth that the government is able to present are schemes that turn CDEP jobs into ordinary government service delivery jobs and employing indigenous conservation rangers. Such policies are worthy but can, at best, create a few thousand jobs. The fundamental problem is not discussed.

Creating a new deal

So what is to be done? The first step is to acknowledge that an unspoken deal does exist and has failed. That subsidised disengagement has not worked and cannot work. Then, we need to construct a new deal. We need to have a national conversation about what an enabling, not wasteful agreement with the first Australians would look like. A starting point should be what Galarrwuy Yunupingu recently said at the Garma festival in Yolngu land. Galarrwuy is an iconic land rights veteran and champion of language, tradition and connection to country. But he vehemently argues that there must be mainstream quality education and no more welfare handouts. He goes much farther than government: he says that rejection of welfare is an immediate and absolute necessity because welfare kills.

To remove the passive welfare trap, we need to break the nexus between indigenous development and geography. This means reorienting programs and incentives onto the development of individuals, rather than the development of geographical areas. It is a vital distinction.

Adopting such an approach would require fundamental changes to the three most important areas of indigenous policy: welfare, education and housing.

Welfare and employment policy should be changed to maximise the incentives for capable individuals to find work wherever it is located. The key change required is to remove the 90 minute rule. This rule provides that capable individuals receiving benefits only need to accept a job if it is within a 90 minute commute of their home. Practically, this means that remote people do not need to look for work. Relocation allowances should be introduced to assist individuals to move to another area to find work.

In education, tougher rules around school attendance and participation in good remote primary schools must be enforced. No excuses. Quality secondary schooling in a town or city is the only way to give indigenous students a fair go in life.

Housing must cease being an incentive to disengage from the real economy. Housing entitlements for remote indigenous people, including home loan entitlements, should be portable (as Noel Pearson has suggested) to encourage young Aboriginal people to go to where the jobs are located.

Such suggestions do not mean that communities should be emptied. The economic viability of a community, no matter how remote, is not a given. Indigenous Australians need to be educated and have jobs or businesses to be able to develop the economy of the places where they choose to live, or use their accumulated wealth to finance cultural homelands where they choose to live permanently or some of the time.

The key point, however, is that a new deal must be based on economic engagement of able individuals. Subsidised disengagement cannot continue.

Direct support for cultural maintenance

Our current policies have been developed partly in the hope that indigenous cultures will be transmitted. A new deal for remote Australia must retain this worthy objective. It is the policy that is discredited, not the idea that Australia is the home of indigenous culture. I suggest that a new deal be based on economic integration and mobility; but coupled with direct action on initiatives to foster indigenous language and culture.

Cultural policies are not prominent in liberal and conservative thinking on indigenous issues. One of Australia’s most significant thinkers on indigenous policy, former Institute of Public Affairs Fellow Gary Johns, for example, would probably be dismissive of a policy for indigenous cultures, which he argues are antithetical to development. He rightly observes that nearly every Aboriginal leader became wealthy, healthy, long-lived and educated from Western practices.

However, the political reality is that stronger policies for economic integration will not be broadly accepted in the foreseeable future unless they are combined with a cultural policy. Our goal should be an implicit agreement that is supported as much by a Pat Dodson as a Wesley Aird. This would only be possible if there were assurances that culture maintenance could sit alongside economic engagement.

But supporting indigenous cultural maintenance should not just be seen as a political necessity. As the first culture in Australia and the world’s oldest continuous culture, it should have a special place in our nation, unique among all others. Further, there need not be any conflict between learning a traditional language and learning to read and write English. For educated, employed people, people, retention of viable cultural elements probably facilitates progress. A national direct action program for indigenous culture could include at least two parts. First, a travel scheme that provides transport subsidies for those who have left their communities for employment, to return to their homelands periodically. The larger proportion of remote people must move for work and study, and regular visits to the lands to which they are strongly connected is a reasonable compromise.

The second part could be a new initiative to support indigenous languages. A new professional corps of language preservers should be engaged, and there should be more recognition of our Australian languages. Whilst there is no substitute for people speaking their languages themselves, it is also true that the individual decisions of speakers of indigenous languages to maintain culture will be influenced by the mainstream’s appreciation of and support for this part of our heritage. It’s reasonable that government has a supporting role to play for indigenous culture. In any case, the financial cost would be less than keeping indigenous people welfare-dependent and immobile, as would the cost in human suffering.

Conclusion

Our policy governing remote communities for the last forty years has been based on indigenous exceptionalism. This has probably not been intentional, but it has been implicit in our actions. There has been an assumption that remote indigenous people are fundamentally different from others. We have assumed that they can prosper in a welfare economy when no other group of people can prosper unless they are engaged in the real economy.

A new deal must be focused on economic engagement of individuals, mobile in the global economic environment. People will, of course, continue to make life choices that are influenced by group identity and origin— as immigrants in Australia do. Indigenous Australians have a right to make such choices and a right to continued distinctness. Group cultures, however, do need to take contemporary forms.

This is not a requirement of assimilation to mainstream Australian culture, but an imperative of modernity. The attempt to preserve indigenous identity through geographic immobility has failed. We need to strike a new deal that economically and socially integrates indigenous Australians but allays fears that their culture will be lost.