

It's time for good governance for half the Territory
Developing effective Indigenous governance in the Northern Territory—the way forward

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Friends,

May I first thank the Mirrar Gundjehmi people, and particularly the kind welcome this morning from Yvonne Margarula. I think all of us here would applaud the fighting spirit shown by Yvonne and her family over the past decade in asserting control over their traditional lands.

Welcome to other VIPs, listing to be supplied

Twenty months ago, in a Statement to parliament, I described the organisational bankruptcy of the vast majority of remote Aboriginal communities.

I described the institutional incapacity of so many of our communities to drag themselves out of the mess they find themselves in.

I said that we must escape the historical legacy of poor governance, health, education and employment outcomes that our communities experience.

In addressing you today, I acknowledge that you are in the front line of the change we desperately need.

And I acknowledge the demands that we seek for change are not empty political rhetoric, but imperatives for our survival.

Let's face the truth.

Governance arrangements in the Northern Territory—post so-called “self determination” have failed Aboriginal people over the last 30 years.

And as was pointed out at the Indigenous Economic Forum earlier in the year, the Northern Territory has a serious problem of economic under development, with around one fifth of its total resident adult population impoverished, structurally detached from the labour market, and ill-equipped to engage in it.

Wrapped inextricably with this crisis of economic underdevelopment are the widespread social, health and educational problems that face our people, which themselves are both cause and effect of dysfunction.

And poor governance is at the heart of this dysfunction that afflicts our people.

So where does this leave us?

It is my belief that we are at a critical turning point for the future of the Northern Territory in general, and for the future of Indigenous Territorians in particular.

This Conference has the potential to point us in the kinds of directions we need to take if we are to realise the kinds of change we need to achieve one, simple and primary objective: **good governance across half of the Northern Territory; the half of which comprises Aboriginal land.**

Because good governance is something in very short supply.

We all know of instances of Indigenous organisations being run as personal or family empires at the expense of the wider community.

We all know the stories of fraud and corruption; of stores being ripped off by dishonest managers—who all too often have bribed key Aboriginal locals to consolidate their thievery and skulduggery.

And we all have experienced community and organisational collapse through the incompetence and ignorance of some advisers, staff and poor governance.

There is no point in pretending that this has not been widespread for many, many years—no point in hiding the facts.

No point—either—in pretending this has not been a failing of government over the years in allowing this to continue. “Self determination” is a slogan that has far too long been used as a rhetorical device by governments to hide their own failures, while blaming blackfellas for governments’ non-accountability in properly acquitting its own responsibilities to its citizens.

Everyone here knows what I am talking about. The tragedy is that too many people, for far too long, have chosen to turn a blind eye to the rot that lies within so many organisations and communities.

So let me put forward in a simple, and hopefully clear way, what I think we should be talking about at this Conference.

If Aboriginal communities and organisations can't get their governance right, and if governments can't properly engage with Indigenous governance, we are all heading for failure.

This word “governance” has become the new buzzword—and not just in the area of Indigenous affairs. It is not always certain that everyone uses it the same way. Certainly, it needs definition.

From my view “governance” simply means the way we organise ourselves to make decisions. The way we organise ourselves to make decisions requires that we consider some questions that are not always straightforward or simple.

For instance, it is important that we know who “**we**” are. Who is **in the group, community or area?**

What sort of decisions will we need to make?

We need to think about who will have the authority and about what? Who will exercise power and what will be the rules that will ensure that power is exercised properly?

How will we organise ourselves to get together to make decisions? Who will enforce the decisions we make? How will the decision-makers be held accountable?

“**Governance**” can broadly be defined as: the *processes, structures, relationships and institutions* through which a group, community or society:

- makes decisions;
- distributes and exercises authority and power;
- determines strategic goals;
- organises corporate, group and individual behaviour; and
- develops rules and assigns responsibility.

Fundamentally, governance is about *power, relationships, and processes* of representation and accountability. It’s about who has influence, who decides, and how decision-makers are held accountable (Plumptre & Graham 1999).

There will be people here saying to themselves—well, we have been doing that for years. There is nothing special about organising ourselves. We make decisions all of the time.

So is this conference necessary? Do we really need to waste everyone’s time talking about something that is being done well already?

Are all Indigenous organisations delivering what is required in the way it should be?

The answer is a clear no.

Is a conference such as this necessary?

Most certainly.

It is high time that organisations that provide representation for Indigenous people do so in ways that meet the needs of all. It is well over due that organisations that deliver services do so efficiently, effectively and fairly.

Effective governance is not easy for Indigenous organisations but it is hard for others too. Major corporations at times find it very difficult to get it right. The disastrous collapse of HIH brought home to a lot of people the consequences of failure to pay attention to proper processes.

If it is not easy or straightforward for other organisations, why should it be easy for Indigenous organisations? These organisations have all of the problems and issues that other organisations have—and a lot more to deal with besides.

So, with a few strong and valuable exceptions, Indigenous organisations have generally not been up to the job of representing the interests of their people.

It is not easy to do.

It means that you have to have good advisers and staff—but not just good advisers and staff.

It means that leaders develop their own skills and gather their own knowledge. It means that individuals and families develop the governance capacity of their organisations, and hold them accountable.

The issues that confront Indigenous people are large, complex and difficult. Many Indigenous people are concerned about them, but how many are able to do much about them?

Realistically, how many leaders of Indigenous organisations—how many members of Indigenous organisations—have the knowledge, the education and the understanding to take on an issue of concern, and work out a way to deal with it?

Indigenous Territorians are a major group in the Northern Territory both socially and economically. While Indigenous people own or control nearly 50 per cent of the land of the Territory they lack real economic clout.

Instead, over 20,000 people are not employed, not engaged in enterprises, and are living off the welfare dollar.

It's time that Indigenous organisations truly developed the capacity to take charge and be accountable.

It's time they came to grips with the challenges and problems that confront Indigenous people.

It's time for good governance for half of the Territory.

The Northern Territory Government takes these issues seriously.

The successful resolution of the issues that confront Indigenous Territorians is fundamental to the further development of the Territory.

Our position is very clear.

We want to see **strong, powerful** and **competent** structures for Indigenous governance.

We want them to be capable of making difficult decisions on complex matters about the delivery of services and the capacity to move towards economic independence.

Most importantly, we want to work with them to achieve the outcomes that are vital to the future of Indigenous Territorians.

The *Building stronger regions—stronger futures* strategy I announced in May provides a framework for action. It does not provide lots of promises and projects—it simply creates a way in which—together—we might achieve the results required.

The process established aims to encourage people and organisations to work with the Government to identify the issues that they consider to be the most important. We aim to work to identify issues and then to develop strategies to deal with them.

There will be no handouts involved—this is not a free ride.

As the Jawoyn Association's Robert Lee once remarked—Aboriginal people don't want hand outs, they want a helping hand. This is what we are about.

Where there is an agreement on what is to be done then we will both—the Government and the community or organisation involved—get on with achieving what is agreed.

And we will both be accountable.

Strategies will be set out in Regional Development Plans, or where a more formal agreement is seen as desirable, in a Partnership Agreement.

The issues that are identified, the strategies that are developed, the way they are tackled and the way that the results are monitored will depend on both sides understanding what is required and negotiating the best possible arrangement for themselves and the Indigenous people of the area concerned.

We will fail if the issues that we identify are not real, and are not important or significant to the people concerned. We will also fail if the representatives of communities are not considered to be the right people to speak on an issue.

The success of the *Building stronger regions—stronger futures* strategy depends heavily on there being organisations that can provide effective representation and all that this entails in terms of knowledge, capacity and accountability.

Some in the Territory have found the emphasis on “regions” as opposed to “communities” threatening. I do not walk away from my emphasis on building regional capacity, despite what I regard as unfounded fears.

In launching the Stronger Regions Strategy I noted that “we must abandon the myth that the discrete community can be regarded as a viable unit in terms of service delivery in the Northern Territory”.

Quite simply, it makes no sense to maintain a system of representative decision making when most of the key decisions about service delivery are being made somewhere else.

Take current local government councils for instance. At one time, small discrete communities were seen as key service delivery structures. This situation has changed.

Service delivery agencies are increasingly funding and organising service delivery over much larger areas. They have to do this to try to achieve better economies of scale and to more effectively utilise those key people and resources that are vital to the delivery of the services.

But there are good cultural reasons for organising regionally.

As I noted in May:

There is a completely false view that Aboriginal communities, from outstations and pastoral excisions, to larger communities and townships—through indeed to inhabitants of towns and cities—exist in splendid isolation from each other.

It is a view based on colonialist notions encouraged by the days of the mission, the settlement and the pastoral property. It is an idea designed to divide Aboriginal people from our lands, our languages and our ceremonial connections.

It is an ideology that deliberately denied the fact that Aboriginal people of what is now known as the Northern Territory have always worked together—socially, culturally and economically—as a series of overlapping and interconnected regions.

Let me give a few examples.

The word winan, common to the East Kimberley, Victoria and Daly River regions describes a series of interrelationships between many language groups united by the trade of ceremonial and other goods. It is a word—and a complex set of ideas—that tell us of traditions and contemporary practices that reflect thousands of years of history. It is an object lesson in people acting together—in harmony, and according to customary Law—regionally.

Across the Territory, the “finish up” of major ceremonies involve hundreds—at times thousands—of participants, from many clan and language groups, drawn from communities scattered across thousands of square kilometres. These ceremonies are not the exclusive possession of individual, discrete communities—they are shared across regions, they are the domain of owners and custodians linked in ways that have nothing to do with mere domicile.

Indeed, the idea that a ceremony is the exclusive possession of a particular community is both bizarre and offensive. Major ceremonies express themselves socially and politically—indeed economically—as regional forms of governance and communal relationships.

So the idea of looking at the Northern Territory as a series of regions—both overlapping and interconnected—for service delivery is not one borne of bureaucratic convenience or ministerial faddishness on my part. It is based on an understanding of the reality of the Northern Territory’s population—which is remarkably decentralised and dispersed on the basis of traditional affiliation to lands.

Uniquely, the Northern Territory is a jurisdiction that reflects—in large part—pre-colonial boundaries, rather than notions of the individuated, isolated, community, disconnected from the region in which it exists.

Regions—however defined, and for various purposes—have always been a feature of organisation for Aboriginal peoples of the Northern Territory.

So service delivery at the level of the individual community is not just stupid on the basis of cost efficiency or economic rationalism, it is just plain silly in cultural terms.

In some areas there have been changes made to representative decision making arrangements to give people the opportunity to make decisions about the services they receive.

The Katherine West Health Board provides one such model, in which Indigenous people are in the right place to make decisions about health and related services.

Health is not the only service area where regional service delivery frameworks are seen to be more efficient and effective—culturally and economically.

Regional crime prevention committees have been established in a number of our regions, and utilise ideas about Customary Law that are understood and have a real relevance at a regional level. Aboriginal Customary Law does not end at the town gates. It is something that spreads far beyond those artificial boundaries and is embedded in relationships that are regional—not merely local.

Similarly, it is clear that organising road maintenance and construction over larger areas makes more sense than the current arrangements, and the delivery of housing over a large region is making sense in the Central Remote area.

Some of the concerns that float through are from people who, for many years, have run their communities. Some have done this well—others not so well, and others very badly.

It will always be necessary for people in communities to take on a leadership and representative role. It is impossible—in a place the size of the Territory with a dispersed population—to have structures of local governance operating at long arm's length from the people.

At the same time, it is imperative that every service delivery dollar possible has to do a service delivery job—rather than a job that merely props up an organisation or merely defends a local empire.

There is also a stark reality that we need to address that drives us towards a regional rather than a narrowly community dimension.

The majority of the remote communities have a population of around 500 people or less. With more than half of those being kids, that leaves at best 200 people to deliver and maintain a strong, aware and capable leadership group that can represent the interests of the community in negotiations with the government, business and other organisations.

The results are obvious—in most instances there is simply not a large enough critical mass of people to sustain more than minimal levels of governance capacity.

It is not expected of whitefella communities to sustain levels of service delivery that exceed—for example—those supplied by the Darwin City Council. Why should Aboriginal communities be expected to meet such unattainable performance outcomes?

It's unrealistic—and unattainable—yet most of our communities are required to do it.

The outcome of this situation is there for all to see—hardly a functional community in the entire Northern Territory.

Regional structures provide the opportunity to draw leadership and partnerships from a wider population and from groups, such as women, workers and youth, who are often excluded from more localised governance structures.

And we have to be realistic about this. While the decisions of Traditional Owners are paramount over how the land is used, we cannot ignore the views of custodians; of other ceremonial leaders; and of other stakeholders. This why we must seek governance mechanisms that entrench the rights of Traditional Owners, but also reflect the rights of others.

It will be a balancing act—but an act that we must perfect.

Regional structures also provide a stronger power base for representatives. It may be relatively easy to dismiss the concerns of one small organisation—less easy to dismiss the well articulated concerns of an organisation that controls considerable resources and that is regarded as the legitimate voice of the people of a region.

And I acknowledge I am contemplating the creation of a potential rod for our own backs as government.

In fostering the creation of powerful and legitimate Indigenous governance structures, I deliberately contemplate groups which will challenge government—but this is no more or less what is expected of other political formations in our society.

It also does not mean that development activities focus only on regions.

Capacity in governance is generally best developed where small groups develop an understanding of the systems, processes and issues involved in making and implementing decisions that affect them.

There will continue to be a focus from government in working with communities and groups within communities to develop a capacity to deal with issues of importance.

However, regional organisations make a lot more sense than those that are based on one relatively small community.

But—and this is a big “but”—the danger is that we replace small, ineffective organisations that have been around for a while and have gained some legitimacy from their longevity, with organisations that are larger and more effective but are regarded as illegitimate.

Having such organisations run by people who get there in a way that is not considered “right” will destroy their credibility and legitimacy. For this reason, constitutional arrangements will be critical. There are a number of different models that are available. Some of these alternate models will be discussed in case studies during the next couple of days.

It would be very useful to the Government to receive the views of this conference about the type of legislative framework that might be put in place to provide for the development of the types of constitutions that would do the job.

The role, function and powers of regional organisations also requires attention. Should they be simply regional advisory groups, with the real power sitting in community councils or management boards? Or will that mean that they are regarded as toothless talkfests that are irrelevant.

Should they have the powers of a government? Should they have the same power to make laws as a local government on matters relating to their functions?

Should they have the deliberative powers potentially exercised by groups such as health boards?

If so, and if their functions include things not normally carried by local governments, what powers should they have to decide on how services for which they are responsible are delivered?

And how will they be held accountable?

At the ballot box?

Does this mean that they can only be elected by a universal vote or might there be a mix of voting arrangements developed, as have been established by Thamarrurr and Nyirranggulung? Are there principles that should be applied in determining what is acceptable and what is not?

And how will the Commonwealth and Territory governments relate to these bodies? As local or regional governments—or as advisory mechanisms?

Will the Commonwealth and Territory Governments look at ways of supporting the capacity of new regional governing bodies to make their own decisions on the allocation of resources, service delivery priorities and development projects?

There are a lot of questions that need to be answered in ways that address the realities that we face.

Those realities include an acknowledgment that the current system is not working either for the good of Indigenous Territorians or for the rest of the Territory community.

We need to acknowledge that it is simply not possible to change everything quickly. It will take time to change the system, and perhaps it will not be possible to make all of the changes that some see as desirable all at once.

But we must not dismiss, or be frightened by, the need for radical change. After all, the past is littered by failure—so let's look to futures that we can benefit from—it is simply unacceptable to allow the current situation to continue.

We also need to acknowledge that we might get it wrong.

Failure and mistakes in and of themselves are not sins—though we must guard against them.

We should not be afraid of making changes that we believe will be for the better. If the changes don't do as we hope, then we should be smart—and brave enough—to say so, review what we've done, and move on again. The fear of failure should not be an excuse for inaction.

Obviously there have been failures in the past. The legacy of many of those are with us now. Just as it does little good to dwell on those failures, it does no good to ignore the lessons that can be learned from the past.

If we do not strengthen our regions we will, as I said in March last year:

risk the creation of a permanent underclass for which future generations, both Indigenous and non-Indigenous, will pay potentially overwhelming economic, social and political costs ... and the Northern Territory will cease to function as anything other than a financial basket case.

This conference has the opportunity to have a direct and immediate impact on the way that the Northern Territory Government moves to implement its intentions with respect to regional governance and the regional authorities that are being contemplated.

It can have a real role in determining the principles that are adopted in the establishment and operation of those bodies, and it can provide advice to government on the way in which we should relate to the new organisations.

I was not bullshitting you when I said that the role of this conference was critical in the formation of our future here in the Territory.

The challenge for the participants over the next couple of days is to take advantage of the opportunity that has been provided and turn this into a truly great conference.

We can do it—but we must do it together.

Thank you.