



Reconciliation
A U S T R A L I A

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**Submission to the Department of the
Treasury**

2014-15 Commonwealth Budget

Introduction

Reconciliation Australia is the national organisation building and promoting reconciliation between Aboriginal and Torres Strait Islander peoples and other Australians. Our vision is to build an Australia that is reconciled, just, and equitable for all. To do so, we are dedicated to building relationships, respect and trust between Aboriginal and Torres Strait Islander peoples and other Australians. We believe a reconciled Australia is one where:

- Aboriginal and Torres Strait Islander peoples are recognised appropriately as the First Peoples of Australia;
- Aboriginal and Torres Strait Islander history, culture and rights are a proud part of our everyday life;
- Our national wellbeing is enhanced by Aboriginal and Torres Strait Islander strength and prosperity;
- The collective rights of Aboriginal and Torres Strait Islander peoples are recognised and respected.

Reconciliation Australia recognises the importance of government investment to achieve these goals. We support the Federal Government's commitment to strong fiscal discipline and cost-effectiveness and agree it is critical for funding to be directed to the most efficient and effective programs based on the evidence of what works and following a proper process of review and evaluation. However, it is also essential that we do not lose the momentum built over the past years towards advancing equality for Aboriginal and Torres Strait Islander people. Reconciliation Australia believes that with consistent, long-term policy and investment, and respectful and genuine engagement, the Federal Government can significantly improve the lives and opportunities for Aboriginal and Torres Strait Islander Australians.

With respect to the tight fiscal environment, our submission concentrates on overarching investment for Aboriginal and Torres Strait Islander affairs. We focus on the importance of maintaining the current levels of funding across the portfolio and committing to long-term policy frameworks. We also believe that to be successful all policies and programs need to be based on respectful, on-going and collaborative partnerships with Aboriginal and Torres Strait Islander communities and organisations. This includes ongoing government support for the National Congress of Australia's First Peoples until it is well established. Finally, we consider constitutional recognition of Aboriginal and Torres Strait Islander Australians to be of national importance, and ensuring a successful referendum will require increased funding.

Summary of Recommendations

Reconciliation Australia recommends the Federal Government:

- 1. Maintains the current overall levels of funding in Indigenous Affairs;**
- 2. Commits to, and invests in a consistent, long-term and goal-driven policy framework;**
- 3. Supports and maintains a national, independent and representative voice for Aboriginal and Torres Strait Islander people and creates respectful partnerships and engagement with Aboriginal and Torres Strait Islander people, communities and organisations;**
- 4. Provides increased funding for public awareness and community support to ensure a successful referendum for the constitutional recognition of Aboriginal and Torres Strait Islander Australians.**

Recommendation 1: Maintain the current overall levels of funding in Indigenous Affairs

Reconciliation Australia agrees with the Government that strong fiscal discipline is crucial to ensuring a stable and competitive Australia, and that all funded programs should be cost-effective and deliver on their stated goals. However, government investment remains critical to improving the life outcomes and opportunities for Aboriginal and Torres Strait Islander peoples, and we urge the Government to maintain current funding levels across the Indigenous Affairs portfolio. Achieving equal life chances for Aboriginal and Torres Strait Islander people needs to be an objective that unites the nation. To achieve this change, Aboriginal and Torres Strait Islander programs must be viewed as a funding priority and the portfolio should be quarantined from any reduction in funding.

While progress has been made in key measures of life quality for Aboriginal and Torres Strait Islander people, there are still many important areas which require significant government investment if we are to achieve the Government's vision of a fair and equal Australia. Life expectancy for Aboriginal and Torres Strait Islanders is increasing¹, fewer Aboriginal and Torres Strait Islander babies are dying at birth, more young children have access to early childhood education and more Aboriginal and Torres Strait Islander students are finishing high school². Despite these improvements, the life expectancy gap between Aboriginal and Torres Strait Islanders and non-Indigenous Australians is still large³; Aboriginal and Torres Strait Islander people are more likely to live in disadvantaged neighbourhoods⁴; the numbers of both Aboriginal and Torres Strait Islander men and women in prison have increased dramatically⁵; the gap in employment outcomes has widened⁶; and Aboriginal and Torres Strait Islander children have far lower levels of literacy and numeracy⁷.

Recent research by Deloitte Access Economics, commissioned by Reconciliation Australia, shows there is a strong economic incentive to close the gap between Indigenous and non-Indigenous Australians in these areas. The research shows that if gaps in life expectancy, employment and productivity are closed by 2031, the

¹ 3302.0.55.003 - Life Tables for Aboriginal and Torres Strait Islander Australians, 2010-2012, Australian Bureau of Statistics. Released 15 November 2013.

² COAG Reform Council. Indigenous Reform 2011-12: Comparing performance across Australia. Report to the Council of Australian Governments. Released 30 April 2013.

³ 3302.0.55.003 - Life Tables for Aboriginal and Torres Strait Islander Australians, 2010-2012, Australian Bureau of Statistics. Released 15 November 2013.

⁴ Biddle, N. 'CAEPR Indigenous Population Project: 2011 Census Papers', Paper 13: *Socioeconomic outcomes*. Centre for Aboriginal Economic Policy Research. Released October 2013.

⁵ 4512.0 - Corrective Services, Australia, September Quarter 2013, Australian Bureau of Statistics. Released 21 November 2013.

⁶ COAG Reform Council. Indigenous Reform 2011-12: Comparing performance across Australia. Report to the Council of Australian Governments. Released 30 April 2013.

⁷ COAG Reform Council. Indigenous Reform 2011-12: Comparing performance across Australia. Report to the Council of Australian Governments. Released 30 April 2013

Australian economy would be more than 1.15% larger—a gain of approximately \$24.3 billion in 2012/13 dollars⁸.

Reconciliation Australia believes the current discrepancy in quality of life indicators requires a strong government focus on the following areas:

- Health – Through investing in the National Aboriginal and Torres Strait Islander Health Plan. This plan was developed in close partnership with Aboriginal and Torres Strait Islander peoples and included extensive consultation with communities and health experts.
- Education – Both attendance and completion rates are lower amongst Aboriginal and Torres Strait Islander students. Funding should be directed to approaches which increase the level of community involvement in schools, curricula and the cultural environment where Aboriginal and Torres Strait Islander children are educated.
- Employment – Support for both the development of Aboriginal and Torres Strait Islander-led social enterprises to deliver intermediate labour market programs for the long term unemployed, as well as support for innovative industry-based solutions to remove internal barriers to employment for Aboriginal and Torres Strait Islander people.
- Law and Justice – The current rates of Indigenous imprisonment in Australia are unacceptably high and continue to increase. We believe an effective justice reinvestment approach will help address underlying causes of crime by moving funds from institutional corrections into socio-economic programs in communities with high incarceration rates. Additionally, the over-representation of Aboriginal and Torres Strait Islanders in the legal system highlights the need for maintaining funding for Aboriginal legal services.
- Governance and Leadership – Strong governance and leadership are the foundation of all successful policies and programs, and funding to these areas has been neglected in the past. Government investment in the *Australian Indigenous Leadership Centre* and the *Australian Indigenous Governance Institute* will provide a national and Indigenous-led approach to leadership and governance, leading to targeted and tailored initiatives.

Reflected in the wide range of factors that impact on Indigenous disadvantage, we believe the Government must have a holistic focus if equality is to be achieved. Deloitte Access Economics argues that even with health and education equality, making progress in Indigenous disadvantage will also require attention to social and

⁸ This report will be released in February 2014 and will be available on Reconciliation Australia's website. www.reconciliation.org.au

cultural inequalities⁹. As such, the above mentioned gains for the Australian economy are only likely to occur if areas such as law and justice, and governance and leadership are afforded Government funding and focus. To ensure quality programs, the underlying principle for all funding should be the importance of working closely and co-operatively with Aboriginal and Torres Strait Islander organisations and communities to enhance capability and sustainability of progress and success.

Taking into account the stringent fiscal environment, we propose that any reallocation of funding should be based on evidence of underperformance, and program investment is not re-directed until a review has been conducted. To do so, Reconciliation Australia supports an ongoing commitment to investing in data, evidence and evaluation to enable program review. Furthermore, we suggest that in the event of funding reallocation, the investment be directed to an organisation or project with a similar development goal, thereby ensuring the ratio of funding remains consistent across sectors.

Although there is much progress to be made, momentum is building and it is critical to maintain the current levels of funding within Indigenous affairs. We believe it is not the time or the place to be making savings from within the Indigenous affairs portfolio.

⁹ This report will be released in February 2014 and will be available on Reconciliation Australia's website. www.reconciliation.org.au

Recommendation 2: Commit to, and invest in a consistent, long-term and goal-driven policy framework

Policy consistency in Aboriginal and Torres Strait Islander affairs is critical. Too often the search for short-term outcomes or a change in government personnel sees policy ground shifting unpredictably. Reconciliation Australia agrees with the Government that a bi-partisan approach is required to ensure that any policies implemented will have consistency and support across governments.

Reconciliation Australia believes that providing a framework allows diverse groups across governments, organisations and the wider community to work towards improving health, education and employment outcomes for Aboriginal and Torres Strait Islander peoples. Designing policy and programs within a common framework also allows all sectors to set targets, thereby ensuring both accountability and consistent direction in addressing Indigenous disadvantage.

Reconciliation Australia urges the Federal Government to endorse and continue the Closing the Gap framework. The Closing the Gap framework is currently endorsed by the Council of Australian Governments (COAG) as a cross-government approach to address the disadvantage faced by Indigenous Australians in life expectancy, child mortality, education and employment. The latest COAG report indicates this framework provides a solid means of tracking improvements over time¹⁰. Keeping the framework consistent across governments will ensure a sense of continuity and predictability to policy goals and improve trust in government.

As part of committing to the Closing the Gap framework, continuing associated funding is critical. We strongly encourage the Federal Government to lead and invest in the development of renewed partnership agreements with state and territory governments to address Aboriginal and Torres Strait Islander disadvantage. National partnership agreements provide accountable frameworks for all Australian Governments to work together and commit considerable amounts of investment to achieve common goals. Many of the existing partnership agreements have recently expired or are due to expire in the near future. To not lose the momentum of the past, reinvigorating this process will be important.

¹⁰ COAG Reform Council. Indigenous Reform 2011-12: Comparing performance across Australia. Report to the Council of Australian Governments. Released 30 April 2013.

Recommendation 3: Support and maintain a national, independent and representative voice for Aboriginal and Torres Strait Islander people, and create respectful partnerships and engagement with Aboriginal and Torres Strait Islander people, communities and organisations

Reconciliation Australia understands, through research and experience, that if government investment is to deliver positive outcomes, it must be based on genuine partnerships and collaboration with Aboriginal and Torres Strait Islander leaders, communities and representative bodies. A growing body of evidence¹¹ shows that policies developed in consultation throughout the design and implementation process are more likely to succeed and be sustained as they create ownership and enfranchisement amongst those affected. This empowerment of Aboriginal and Torres Strait Islander communities is vital to effective governance and to achieving positive change.

Through empowered Aboriginal and Torres Strait Islander communities, and investment in their capacity to manage solutions, significant progress can be made in advancing equality for Aboriginal and Torres Strait Islander peoples. Such an approach should:

- Begin early and be ongoing to enable meaningful participation in all stages of policy and program design, implementation and evaluation¹²;
- Occur through partnerships with Indigenous organisations within a framework of self-determination and Indigenous control¹³;
- Be underpinned by the principles of the United Nations' Declaration on the Rights of Indigenous Peoples.

We know that without genuine engagement with Aboriginal and Torres Strait Islander people, meeting the targets set by COAG will be difficult¹⁴. Reconciliation Australia believes the cornerstone to creating respectful and meaningful relationships with Aboriginal and Torres Strait Islander peoples, is a strong, independent, Indigenous voice. Currently, the National Congress of Australia's First Peoples (Congress) is

¹¹ These reports include the 2010 Strategic Review of Indigenous Expenditure conducted by the Department of Finance and Deregulation, the Overcoming Indigenous Disadvantage Report 2011, the 2011 Aboriginal and Torres Strait Islander Social Justice Report, and the Australian Institute of Health and Welfare Studies report 'What works to overcome Indigenous disadvantage'.

¹² Australian Human Rights Commission, 'Appendix 4: Features of meaningful and effective consultation processes', Native Title Report 2010. Available at: http://www.humanrights.gov.au/social_justice/nt_report/ntreport10/appendix4.html

¹³ Hunt, J. 'Engagement with Indigenous communities in key sectors', *Resource sheet no. 23*, produced for the Closing the Gap Clearinghouse. Released October 2013.

¹⁴ Hunt, J. 'Engaging with Indigenous Australia-exploring the conditions for effective relationships with Aboriginal and Torres Strait Islander communities', *Issues paper no. 5*. Produced for the Closing the Gap Clearinghouse. Released October 2013.

recognised as the national representative body for Aboriginal and Torres Strait Islander peoples. We believe that to encourage meaningful engagement with Aboriginal and Torres Strait Islander communities, a national representative voice through Congress is critical. Continued Federal Government support for Congress is necessary until Congress is well established and self-sustainable.

Recommendation 4: Provide increased funding for public awareness and community support to ensure a successful referendum for the constitutional recognition of Aboriginal and Torres Strait Islander Australians

In the lead up to the election in September 2013, all political leaders made clear commitments to support constitutional recognition of the First Australians. Reconciliation Australia looks forward to working, through the "Recognise" campaign, in support of a successful referendum in the current term of Parliament. We are seeking further support from the Government to take the campaign to the next levels of public awareness and community support in order to prepare the ground for a successful referendum in the coming years. The current funding provided by the Gillard Government expires on 30 June 2013.

Constitutional recognition has been identified by Prime Minister Abbott as a key election commitment. So as not to lose the progress made towards building public awareness to ensure a successful referendum, funding for an expanded public awareness and education campaign is necessary. No referendums have been successful without a well-informed, engaged public. Past referendum results demonstrate that whilst cross party political leadership is essential, grassroots, community campaigns with high levels of public awareness are also necessary.