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Join the real world

by Noel Pearson

The Weekend Australian



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I Follow John Maynard Keynes when the facts change: I change my mind. I had cause this week to commend the secretary of the federal Department of Employment and Workplace Relations, Peter Boxall, for the reforms that his department has driven in respect of the longstanding indigenous work for the dole program known as Community Development Employment Projects.

DEWR's policy reforms on indigenous employment have led to strong growth in indigenous employment across the country.

The bracing reforms that Boxall has pushed are breaking down the undeniable downside of Australia's first such scheme: CDEP had become a ghetto that traps indigenous people into a perpetual community make-work program instead of taking the benefits of employment growth in the prosperous mainstream economy. Work for the dole is always better than sit-down money, but it should never become a permanent alternative to work in the real economy.

My Damascus occurred while wheeling a trolley around the supermarket of a country town a few months ago. I bumped into an indigenous woman who had previously worked in a clerical capacity for the town's CDEP. She had worked there for more than a decade, and it was people like her about whom I was concerned when DEWR closed down the CDEP operated by the local indigenous organisation and signed everybody up to the Job Network. Now she worked in a managerial position at the town's supermarket: the real economy.

There will always be a need for work for the dole, especially in remote areas where jobs are more scarce, yet the mayor of a remote Cape York Peninsula community told a meeting I attended this week that his shire council had 30 full-time jobs available for his community members, but he had no takers. This is why he is a strong advocate for welfare reform for his people.

Workplace Relations Minister Kevin Andrews should be pleased with the rigour and energy his department – ably led by Boxall – has brought to indigenous employment.

I may have cause to change my mind about another matter because the facts already appear to be changing. I was initially more than sceptical about Kevin Rudd's appointment of Jenny Macklin as Opposition spokeswoman for indigenous affairs. I publicly supported federal Labor's previous spokesman, Chris Evans, because he had, in his words, "sought to make a break with the past". Evans characterised the debate and the reform program that my colleagues in Cape York Peninsula organisations and I have initiated as a challenge to the Left. He criticised his party's record in indigenous affairs, "not without some consternation from some Labor people".

I believe Macklin would have been one of those Labor people who were unsettled by Evans's new policy line. When Carmen Lawrence was Labor's spokeswoman, Macklin visited Cape York and participated in our briefing to Lawrence. Macklin's ideological and policy allergy to what she heard was, to me, patent. My chagrin at Labor's appointment, however, may prove unfounded because this week Macklin said Labor's indigenous policy would build on the work of Evans. Particularly encouraging is that Macklin wants to make it a priority to reform income support systems so that they "help people find jobs".

Five years ago, I was told in discussions with people then responsible for Labor's indigenous policy that it was politically impossible for Labor to talk about "welfare dependency". This reluctance to call things by their right name was done away with by Macklin in her first public statement.

This, to me, is a surprisingly good start. But Macklin starts from a difficult position.

Australian Democrats senator Andrew Bartlett correctly pointed out that "the expertise and knowledge that Chris Evans had built up on indigenous issues will now be lost and the new portfolio holder will have to start all over again. With less than a year to the next election, there won't be time for Ms Macklin to come to grips with the complexities of indigenous affairs in time to make it the national

propriety it must be. There is also a higher priority and resources given to a portfolio area when it is held by a person in a leadership position like Chris Evans.”

It is still uncertain what Macklin’s deep convictions are in relation to some critical social policy questions. Indigenous policy is an area where substance abuse needs to be understood as a driver of disadvantage in its own right, not as a symptom of disadvantage. Macklin is a supporter of harm minimisation. Indigenous affairs needs to be led by someone who strongly believes in welfare reform and understands that indigenous people need fundamental education reform. Will Macklin be prepared to take on the strong forces in the Australian Left and the public sector who advocate traditional progressive policies in these areas? I have no doubt about Macklin’s support for indigenous rights and for her compassion. It is just that compassion can no longer be a substitute for reform.

We can no longer be patient when social democrats who subscribe to that ephemeral principle social justice fail to have a real-world plan to improve the lives of the poor and the oppressed. I am not yet ready to talk in the vein of Friedrich von Hayek about “the atavism of social justice” but I do get frustrated with the failure of people concerned for social justice to grapple with real problems and identify real solutions.

I get a sense that social justice becomes, for too many social democrats, at best a platitude and at worst a millennial illusion. People of goodwill harbour vague hopes that the great machinery of the state will one day be mobilised to deliver social justice, if only there were the requisite leadership and resources.

I think Kevin Rudd shares this concern. In an interview with Peter Botsman’s online journal *Australian Prospect* earlier this year, Rudd expressed this important insight: “There is a great opportunity for any member of parliament at any level of government throughout the country to become a community entrepreneur. What do I mean by that? Work within market structures or normal local community structures to achieve social outcomes that benefit the community rather than waiting for some huge, centrally driven social justice machinery to roll out one day which will deliver nirvana in our times. We all hope that will one day be the case. But absent that, I think we’ve got on our side of politics a dual responsibility to work locally as an entrepreneur to achieve community outcomes using the resources available and then to work separately and simultaneously at a policy level to try to achieve outcomes through a change of government and overall national policy.”

Macklin, and all those on the Labor side contemplating policies that will make Australia a fair and inclusive country, should reflect on this.

When social democrats abandon their millennial tendencies, then they can focus on the hard work concerning jobs, social order and parental responsibility for children. Macklin’s statements this week indicate there is hope that she will turn her belief in social justice into real reform.

Alcohol management plans that restrict the availability of alcohol and decrease violence and make life safer for women and children is what I call social justice. If the indigenous employment gains produced by so-called economic rationalists such as Boxall is not social justice, then what is it?

Noel Pearson is director of the Cape York Institute for Policy and Leadership.