

### **Fattest hand is first in the till**

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*The Weekend Australian*

23–24 January, 2010

Ernest Hunter, the Cairns-based psychiatrist who has worked in the Kimberley and has been working in the stony fields of indigenous mental health in North Queensland for many years now, wrote an excellent article in yesterday's edition of *The Australian* telling the truth about the parasites that prey on the indigenous poor in remote communities. Hunter's point was made a long time ago by the eminent African-American economist Thomas Sowell who summed up the issue succinctly by saying: "The poor are a goldmine."

I want to add to Hunter's account by pointing out the true culprit, an even bigger parasite than the low-level rip-off merchants and hapless administrators on the ground in these communities: the welfare state. The leviathan of government bureaucracies make the payday lenders, the drug dealers and sly grog sellers pale in comparison with their commandeering of the income streams that are nominally allocated to the indigenous poor on the ground. What government bureaucracies do with the budgets allocated by parliaments is the real scandal.

Sowell's point was that the poor are primarily a goldmine for the middle-income bureaucracy.

In one Cape York community with a population of about 1200 people, a census of services and their providers was undertaken by a government department.

The number of people from myriad government and non-government organisations that live more or less full-time within, or who fly or drive in and out of, this community, was more than 400. For every three men, women and children, there is a bureaucrat or service provider supposedly working to improve some aspect of their lives.

In this particular community, there is a precinct where the service providers dwell. It looks like a UN enclave. The housing is better and the workers who work there enjoy salaries and conditions that are incomparable with their local colleagues. Routinely, government employees work alongside community members but are on double the salary for the same work. When a riot erupted in the community, counsellors were flown in to deal with the psychological impact on government employees, but the actual community victims of violence and mayhem were left to fend for themselves.

I have been working on a reform agenda in Cape York Peninsula aimed at rebuilding indigenous responsibility and self-reliance for 10 years now. My colleagues and I have had reasonable success in getting governmental attention to the problems that exist, and to the reform policies that we have advocated. Our advocacy has precipitated two phases of governmental focus and response during the past decade. The first phase involved the Beattie government in Queensland and the Howard government, the second phase involves the Bligh and Rudd governments.

I go through peaks of optimism and troughs of depression when I think about our reform agenda. When I see the numbers of students graduating from high school and entering university, thanks to the Higher Expectations boarding school program that we run in partnership with Macquarie Bank, I'm on the up.

Same with when I see another family take delivery of a washing machine and a refrigerator after saving their money on the Family Income Management program we run with Westpac Bank. When I see more than 100 community leaders emerge from the Cape York Leadership Academy sponsored by Queenslanders Ian and Di MaCauley's family foundation – the most generous private philanthropy that we have ever received – I feel confident that we are building a broad community leadership in pursuit of reform. When I see the school attendance rate at Aurukun go from 30 to 70 per cent because of the role of elders from the Family Responsibilities Commission, I'm on a high.

But the curve dives precipitously downwards when I face what is the biggest truth of the impact of our reform work: we have managed to quadruple the size of the bureaucracy that is now dedicated to solving indigenous problems. This is the most salient truth and yet the most obscured.

The number of middle-income, mostly non-indigenous people employed has grown stupendously even as the unemployment rate of Aboriginal community members remains as high as it ever was.

When parliaments vote new budget outlays to tackle indigenous disadvantage, the first beneficiaries are those charged with saving the wretched.

So the first problem is an age-old one of ever-pullulating bureaucracies: like maggots engorged on a roadside carcass, whenever there is a new budget line the frontline departments of government serve themselves first. This is the real Aboriginal industry.

But just because this is an age-old problem does not mean that we should just knowingly shake our heads in despair and move on. It has to be confronted. The fact and nature of this problem should not just be accepted. We will never revive the flagging near-cadaver of the Aboriginal body politic until we relieve it of the too many governmental parasites that drain its very lifeblood.

When I first mounted my critique of passive welfare 10 years ago I argued that there were three aspects to the welfare paradigm. The first aspect is unconditional income support, what is popularly understood as welfare.

The second aspect is what we called passive service delivery. And the third aspect was the mentality – among indigenous people and the service deliverers – that justified the correctness of these two forms of passive welfare.

The second form of welfare – passive service delivery – was not understood at the time of our critique, and has little public policy understanding even today. When we say that a large part of our welfare problem is government service delivery, people do not understand what we mean. After all, service delivery is supposed to be what is needed. Aboriginal disadvantage supposedly needs to be fixed by more comprehensive and more co-ordinated service delivery.

This is how you end up with 400 service providers for just 1200 people.

Our point that indigenous passivity is very much a consequence of government service delivery has been completely lost to the debate on indigenous policy.

The problem is that essential and beneficial government service delivery is mixed up with a vast panoply of services that displaced Aboriginal individuals, families and communities taking up their own responsibilities.

What my opponents and sceptics from the Left have failed to understand is that when we talk about disempowerment being the singular and devastating feature of Aboriginal Australia, we mean that our people have had their responsibilities taken away from us. Responsibility is power. If we want our people to be empowered, then we need to take back the responsibilities that the welfare state has stripped away from us.

Getting the fangs of government off our throats means that we have to be able to distinguish between empowering and disempowering service delivery.

If we subjected the 400 service providers that are engaged in this single Cape York community to the analysis of whether they are providing an essential service or supporting Aboriginal people to take charge of their own lives, then you end up getting rid of 300 of them at the least.

Yes, you need paediatricians and engineers flying in and out of these communities from time to time. But when you go through the long list of useless programs and service providers who say they are doing something essential, you can see how redundant and self-serving it all is.

And ultimately the biggest structural reform in indigenous policy is this: there must be the means to get the leviathan back into its cage. It will not retreat by choice.

Of course Hunter and me are members of the middle-income strata that works in this same space. The question that we, like everyone else, are equally subject to is this: are we working to rebuild indigenous responsibility or are we a part of the industries that see the poor as a goldmine?

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