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# Road to responsibility

By Noel Pearson

*The Weekend Australian*



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It is not just passive money that kills responsibility; passive service delivery provided by the nanny state also kills responsibility on the part of indigenous parents, individuals and communities.

Since I started my campaign against it in 1999, the term passive welfare has come into common usage. But most people make the mistake of viewing passive welfare exclusively as a characteristic of indigenous recipients.

People do not become dependent on “sit-down money” unless there is someone willing to hand it out. And that is the larger part of the problem.

Not only cash handouts but also services can displace responsibility from individuals, families and communities, and place it into the hands of the deliverers. One of the effects of breakfast programs provided to schoolchildren in Cape York Peninsula is that parents are absolved from their responsibility to feed their children with the income they receive from government on their behalf.

Hungry children turning up to school is a terrible problem and we must solve the immediate pressing need. But if we are going to have a sustainable solution, we have to be able to at least make parents pay for the breakfast program. Otherwise young mothers and fathers come to think of parenting as something that does not involve providing children with breakfast; there is a program down at the school for that. This abandonment of responsibility then becomes the social norm of that community.

Shifting the passive welfare paradigm is thus more complex than simply reforming payments. It requires that we examine the role of passive service delivery.

The larger part of service delivery in the welfare state does not constitute passive welfare, such as the provisioning of infrastructure, law and order and health and education services.

The test for identifying those government services that amount to passive welfare is to ask the question: does this service seek to undertake or support a responsibility that would normally be assumed by individuals, families or communities?

The government interveners develop an entrenched interest in the continued displacement of responsibility from individual, family and community. And clients and interveners develop an interest in preserving their mutual dependency. This interest manifests itself as an assumption by service deliverers and recipients that such assistance is a natural entitlement.

The welfare bureaucracy - and non-government and private sector organisations that are dependent on government contracts - need clients more than the clients need them. An industry premised on passive welfare service delivery has jobs, careers, fiefdoms, budgets, leadership, ambitions, mortgages, promotions, status, grand plans, strategies (and now, with outsourcing, profits) at stake, and it resists the restoration of indigenous responsibility.

The clearest example of policy failure is in Cape York Peninsula, where perverse incentives encourage people towards welfare and away from real employment.

For most people, the road to self-reliance ascends the “staircase of opportunity”. The first steps are study and entry-level, low-paid work. People in my home region are isolated below the beginning of the staircase on a pedestal, which is not very high in terms of income but higher than the first steps of the staircase. They never begin the ascent. A mother from Cape York called this the pedestal welfare trap.

One of the most difficult obstacles for reform in indigenous affairs is that the commonwealth funds welfare and income support but services, to a large extent, are provided by the states. Neither the state nor commonwealth has drawn the crucial links between income support and social order, and neither has examined its programs sufficiently to recognise that a chief outcome of most interventions is the

displacement and alienation of responsibility.

Responsibility and power have to be given back to indigenous people. However, nominal community control will not provide all the answers. Reforms that empower indigenous communities must also bring about behavioural change.

Four communities in Cape York Peninsula have agreed with the federal Government to develop reforms in the areas of welfare and social order because this would allow us to address the three problems I have identified above: the disconnection between commonwealth income support and state service delivery, the displacement of responsibility and the disadvantage to our children caused by our behaviour.

Mainstream Australia has social order. This has a visible component; for example, law enforcement. But it also has an invisible component: social norms that influence individual behaviour. An example of this may be found in the attitude of mainstream Australia to school attendance. The visible component is made up of nationwide truancy laws and disciplinary tactics implemented by schools. The invisible component may be witnessed in the social norm that assumes children should attend school and the inherent value placed in education. In mainstream Australia, bad behaviour - such as truancy - has consequences. In contrast, Cape York is operating at a social order deficit, largely due to a breakdown of social norms.

The policies we are developing are intended to be opt-in solutions rather than compulsory changes imposed by an authority from outside. Communities are offered the chance to take up the power that comes with taking responsibility.

The central idea of our suggested reform is a families commission, an impartial local body with authority vested by state and federal governments. This commission would be composed of respected elders from the community and chaired by a person with authority; for example, a retired magistrate. The role of the commission would be to uphold basic social standards on parenting and family responsibilities.

The most important goal in indigenous policy is to ensure that no child is left behind because they are indigenous. The job of the families commission will be to make sure that no child is disadvantaged because of family dysfunction. The commission's initial approach when protecting a child's interests would be to recommend to individuals and families that they take up support programs such as income management, parenting education, counselling and rehabilitation. Where individuals and families fail to take up their responsibilities, the commission would have authority to impose sanctions and order participation in programs.

For example, the commission would be able to place pressure on parents to ensure their children were attending school by linking school attendance to family payments and income support. The commission would thus give substance to state legislation that mandates school attendance, as well as helping to build positive social norms on parenting responsibilities and education. Importantly, these social norms would be reinforced through an articulation of local responsibility, but with the support and backing of both levels of government.

The families commission reform would be only a first step. Reform in indigenous affairs will require an effort as determined and comprehensive as economic reform.

The basic reform problem in indigenous affairs is analogous to that which faced the Australian economy in the 1980s and '90s: the pervasive absence of competition throughout too many sectors of the economy, public and private. This was the sclerosis afflicting the Australian economy, and reform required change at all levels, involving all players and binding upon governments. There were vast entrenched interests in the way of competition reform. Financial deregulation in the early days of the Hawke-Keating government started the inexorable process of reform and the competition framework put in place by Paul Keating in 1995 extended the reform into the public sector economy. Governments were forced to expose public enterprises and utilities to competition reform.

The analogous sclerosis afflicting indigenous society is the pervasive absence of responsibility at the individual, family and community levels. The right to take responsibility lies at the root of any

successful reform to address indigenous dysfunction.

*Noel Pearson is director of the Cape York Institute for Policy and Leadership. This is an edited extract from a seminar talk given by him at the Treasury, Canberra, last Monday.*