

THE ROLE OF PHILANTHROPIC AND CORPORATE BODIES – WHAT THE PRIVATE SECTOR CAN DO THAT GOVERNMENT CAN'T

FRED CHANEY AO*

I have been asked both to set the scene for this conference and to speak on the specific topic of “The role of philanthropic and corporate bodies – what the private sector can do that government can’t”. The conference has been brought together by three organisations: the Fred Hollows Foundation, Reconciliation Australia, and the Whitlam Institute. Each of these organisations could see that there was a need for a strategic discussion about how the constituencies and sectors represented here can work together cooperatively to achieve tangible outcomes which advance Indigenous interests, a crucial element of reconciliation.

We also saw that, with numerous new bodies emerging over the last few years, there is competition for both attention and support. It would therefore serve everyone’s interests, we thought, to discuss our respective roles and ways of creating constructive cooperation to avoid the pitfalls of destructive competition.

Part of our objective is to increase the level of funding for Indigenous projects and to add value to the available funding by increasing the effectiveness of its use. To some extent the availability of funding, both public and private, is influenced by beliefs about whether funds can or will be expended in a way which produces results. What this Conference will do is to demonstrate that there are ways of producing results and that there are ways of engaging with Aboriginal communities and their organisations that can produce revolutionary outcomes.

Clearly, we all want an Australia free of great inequity. Yet there appears to be a vacuum around setting national priorities and a lack of urgency in tackling the enormous disadvantage faced by Indigenous people. The Fred Hollows Foundation, Reconciliation Australia and the Whitlam Institute work with these grassroots issues, and we saw an urgent need for the non-government sector to play a greater and more coordinated role.

Within that general framework, this conference aims to:

- Bring corporate donors, philanthropic foundations and Indigenous groups together to explore how corporate giving and investment can be directed in ways which will genuinely make a difference to the lives of Indigenous people and communities.
- Develop a shared understanding of respective stakeholders’ aims and objectives, and to find improved ways of working together more effectively - including developing best practice principles and guidelines.

* Co-Chair Reconciliation Australia.

- Look at case studies in Australia and draw on the South African experience of overcoming the legacy of ingrained racial barriers and socio-economic disadvantage.
- Give philanthropic and corporate donors an opportunity to hear Indigenous perspectives on the support that is needed to achieve maximum effect for their funding efforts.
- Establish an ongoing mechanism to enable philanthropic and corporate sponsors to work most effectively with Indigenous communities and establish effective working relationships.
- How to establish best-practice guidelines to ensure that donations and resources are utilised in the most effective way to achieve positive, sustainable change.

This Conference brings together organisations engaged in various aspects of Indigenous advancement including advocacy, service delivery and reconciliation with representatives of Australian business and representatives of philanthropic organisations.

The three organisations that have convened it discerned that even where there was some enthusiasm about support for the Aboriginal cause, there was some confusion about how and where to apply that support. As organisations we saw a risk of confusion among potential supporters – who to support – and room for donor disillusion and fatigue if donated funds do not produce real and verifiable outcomes.

This last point is not to create a bogymen or as to jump at shadows. The history of the last thirty years is of 'self managing' Aboriginal corporations, largely government funded, being expected to produce various outcomes and the anticipation proving greater than the realisation in many cases. Medical services are funded but still there are appalling health statistics. Legal Services are funded but the numbers in gaol and dying in custody continues to rise and so on. The result is an impression inimical to ongoing support – a lot spent to little effect. Despite often-gross under-expenditure on basic citizenship entitlements there is a widespread belief that there is over provision and waste. 'There is no point in supporting this as there will be nothing to show for it, it won't make a difference' is the attitude that has to be dealt with.

The fact that there is often gross under-provision is little known. Independent studies have repetitively pointed to the gaps. These gaps occur in a situation where mainstream services simply fail to meet their obligation to provide basic citizenship entitlements in many circumstances. The report on Indigenous funding by the Commonwealth Grants Commission that was published last year is clear about the general failure of mainstream services.

It is worth quoting just some of the points in this report:

- “Mainstream services are intended to support access by all Australians to a wide range of services. Given the entrenched levels of disadvantage experienced by Indigenous people in all functional areas addressed by our Inquiry, it should be expected that their use of mainstream services would be at levels greater than those of non-Indigenous Australians. This is not the case. Indigenous Australians in all regions access mainstream services at very much lower rates than non-Indigenous people.
- The mainstream programs provided by the Commonwealth do not adequately meet the needs of Indigenous people because of barriers to access. These barriers include the way programs are designed, how they are funded, how they are presented and their cost to users. In remote areas, there are additional barriers to access arising from the lack of services and long distances necessary to access those that do exist. The high levels of disadvantage experienced by Indigenous people compound the inequities resulting from the low level of access to mainstream programs.
- Some initiatives have been taken to address access problems in mainstream programs. These include changes in the range of benefits available under Medicare and the Pharmaceutical Benefits Scheme (PBS), changes in procedures associated with those programs, better targeting of other health programs, changes in the operation of Job Network and action to improve the cultural sensitivity of service delivery. While recent evidence suggests these changes are having an impact, they fall short of the across-the-board improvements in access needed to address the existing disadvantage of Indigenous people.
- Commonwealth Indigenous-specific programs are intended to provide targeted assistance to Indigenous people to supplement the delivery of services through mainstream programs. These programs are a recognition of the special needs of Indigenous people associated with, and in response to, their levels of disadvantage. The failure of mainstream programs to effectively address needs of Indigenous people means that Indigenous-specific programs are expected to do more than they were designed for and, as a consequence, focus less on the disadvantaged.
- The Commonwealth has limited influence on the extent to which the distribution of mainstream programs reflects the relative needs of Indigenous people in different regions. Most service provision is under State control.
- Similarly, the Commonwealth has limited influence over the regional allocation of mainstream specific purpose payments (SPP) funds, apart from the effects of any conditions specified in the agreements negotiated with the States.
- Some of the Commonwealth’s own-purpose Indigenous-specific programs, especially those in the infrastructure and housing areas, do reflect relative

needs, and some in the health area are beginning to move in that direction. Overall, however, it cannot be said that need is the focus of funding distribution.

- The Commonwealth can achieve considerable indirect influence over the actions of State and non-government providers and is beginning to use this to achieve more effective programs that are better targeted. One of the main ways this is being achieved is through the development of partnerships, agreements and other collaborative arrangements to improve coordination between governments and their agencies, and to provide Indigenous people with a greater role in making decisions that affect them. These initiatives have proceeded furthest in the health, housing and infrastructure functions.
- While it is too early to determine whether these processes are reducing Indigenous disadvantage, they are increasing participation in the processes. This will help policies become more effective in targeting need, and in providing services that are more culturally appropriate and recognise the diversity of Indigenous people.
- In some cases, people at the local level feel they still have no input into overall planning, and consider the existing collaborative arrangements have had little effect on their communities. That is, many partnerships are still essentially top down processes. There are also concerns about the unequal status of members of some existing partnership arrangements, and perceptions that they are driven by the mainstream and are not always backed by funding.
- Meaningful and quantitative comparisons of the regional pattern of relative needs indicators and the existing regional distribution of expenditure are limited by the lack of expenditure data.”

It is also worth noting ATSIC's responsibilities are funding and programs - or more accurately, that ATSIC is *not* primarily responsible. ATSIC's role here is supplementary rather than having the sole or even primary responsibility. ATSIC never had primary responsibility, but in recent years some responsibilities it did have were shifted over to mainstream agencies – the notable example being health, where around \$100 million of ATSIC funds was shifted over to the Commonwealth Health Department a few years ago.

Many would argue that in fact this is where the responsibility should lie: as citizens, Indigenous people are entitled to the same services that other Australians expect and receive from governments and service deliverers. However, this doesn't stop many commentators and people blaming ATSIC for failure to deliver this or that service – or even for the general state of Indigenous disadvantage.

Worse, some State and Territory governments do not meet their own responsibilities and sometimes conveniently blame ATSIC. For example, I am told that a KPMG report into service-delivery arrangements noted that the Court

government in Western Australia denied responsibility for providing power services to remote Aboriginal communities in that state, advising the community to seek funding for the necessary infrastructure from ATSIC.

This, then, is the environment in which we are operating. Indigenous-specific programs largely operate through self-governing organisations, some of which have governance problems (an issue which we have addressed elsewhere) and most of which have funding that is inadequate for the purpose. At the same time, mainstream programs manifestly fail a large part of the Aboriginal community.

The organisations that have brought this Conference together are committed to achieving change. Reconciliation Australia's view is that we must all move beyond rhetoric and 'give substance' to reconciliation. This is in part a response to the often-heard Indigenous response 'well we hear about reconciliation but when will it make a difference to us' and partly a response to the need to be able to point to results from its efforts. Our focus on dealing with issues of substance is also meant to provide a challenge to the double standard of much of the discussion about Indigenous policy.

There is, for example, the demand for Indigenous communities to become self-sufficient when externally imposed rules allow the use of assets for traditional purposes, but forbid the use of assets for economic purposes. There is no access to financial institutions to enable money to be saved, managed or borrowed and the communities lack basic access to citizenship entitlements, including access to national programs like Medicare and the Pharmaceutical Benefits Scheme. We see part of our Charter as truth telling, telling it like it is and applying the reconciliation test by asking, 'do the actions being taken match the words being spoken?'

From the point of view of those of us in the field, what the environment tells us is that we are obliged to have clear objectives and be prepared to document our outcomes. A further obligation is to obtain such synergies as exist between us as organisations to maximise the outcomes that we can all achieve. Competition has its place but it can also be wasteful. Successful social and economic outcomes best come from civic communities in which habits of cooperation exist and are acted on. The third but related obligation is the need for Indigenous and non-Indigenous interests to work together with a mutual respect based on an understanding of what each can do.

In intended symbolism the Council for Aboriginal Reconciliation (CAR) set up Reconciliation Australia as an organisation with an Indigenous majority with nearly half the remaining Board members being drawn from the wider community. The two Co-Chairs are required to be one Indigenous and one non-Indigenous. We are in the tradition of bodies such as FCAATSI, the CAR and in my home State the New Era Aboriginal Fellowship (NEAF) that provided the vehicle for me, and my contemporaries, to work with the Indigenous people of my region in the 1970s.

The balance of what I am going to say is to mount an argument, by example, in favour of Indigenous/non-Indigenous partnerships as an effective way of achieving Indigenous objectives. This may be seen as being in conflict with the 'go it alone' school which sees the only way forward as being through Aboriginal engagement.

In truth, Aboriginal engagement is the essential element. Without it, nothing can be achieved. But Aboriginal engagement can be enhanced and even protected by corporate and other partnerships as my examples demonstrate. The partnerships to which I refer are partnerships that must be a means of 'achieving Indigenous objectives'.

As I put it in the Mabo lecture delivered in conjunction with Geoff Clark a month ago:

'I speak from the belief that even when there is good will and there are resources a majority population by itself cannot achieve good results for Indigenous people. They can only work with Indigenous people to achieve the ends that they, the Indigenous people, wish to pursue. There is a lot of evidence over the last thirty years of good intentions and too little of good outcomes. Where good outcomes have occurred they have come from Indigenous determination, sometimes backed by outside supporters both government and non-government.'

Frequently expressed Indigenous demands are for educational and employment equality. There are subtleties about these demands relating to the maintenance of traditional lifestyles in remote communities in particular, but the vision expressed by the previous Governor-General that reconciliation, to him, might be achieved when not only have we had an acceptable symbolic coming together but when every Indigenous child at school has the same opportunities as a non-Indigenous child is an appealing one.

I draw on two examples, one in education, one in employment: the Gumala Mirnuwarni education project (GM) in the Pilbara and the Moree Aboriginal Employment Strategy (MAES). The first has achieved unprecedented educational outcomes in the Pilbara and the second has achieved a Western NSW town that now sees itself not an example of prejudice but as an example of reconciliation. The second has been independently assessed by Reconciliation Australia with the generous assistance of ATSIC and the report is available on our website reconciliationaustralia.org/graphics/home.html.

Neither of these particular projects started as an Indigenous initiative but each proceeded – and could only have succeeded – with Aboriginal engagement and commitment to the objectives. Before I deal with these examples, I want to reject any suggestion that Aboriginal people are just sitting around passively waiting for someone else to do things.

In fact, Aboriginal people are acutely aware of the urgency of the current situation and are desperately concerned about the myriad of social problems, such as alcohol and other substance abuse, family violence, and appalling health outcomes. Often people want to address these problems but lack the resources and sometimes the skilled personnel to do something. They are also often told that their proposed initiatives do not fit the guidelines for government funding.

For example, the Broome Medical Services couldn't get funding when it was initially established – it had to rely on overseas aid (World Council of Churches) for the first few years and with perseverance was able to get funding only after demonstrating the success of the service. Another example was the Night Patrol (taking drunks into care or sobering-up shelters). This initiative was started in Tennant Creek at Julalikari (a local resource organisation) but was resisted by police who saw this as interference in their jurisdiction. This was in the days when public drunkenness was an offence. Now, ironically, the Night Patrol is cited as a Royal Commission into Aboriginal Deaths in Custody (RCIADIC) successful initiative!

There are numerous other examples around the country where people try to get a program or initiative off the ground, often without the necessary resources to do so effectively. Just one more example is a community nutrition program for school children in Beswick (Wugularr). This was initiated by one woman (Veronica Birrell) who worked out of an old World War II Sidney Williams hut - bare concrete floor, walls which are unlined, no ceiling, a plastic outdoor table and a couple of chairs, struggling to find the money each week to purchase Weet Bix. The community through CDEP now supports this program, families contribute through Family Allowance deductions, and there is a community nutritionist who works with the women's centre.

These are the kind of community-driven initiatives that can and should be supported by corporations and philanthropists. Once these programs demonstrate positive results and benefits governments are then often willing to fund them, albeit sometimes reluctantly. This is where the corporations can support Indigenous communities - doing things that governments can't or won't do, at least initially.

GM grew out of the clear wish of Hamersley Iron (HI) to be able to offer skilled employment opportunities to the Aboriginal people of the Pilbara, only possible if students could achieve Year 12 standard at school. The company had received a Reconciliation Award in 1997 for its work in employment creation but realised that under then present circumstances the sort of work it could offer was limited.

The critical point here however is that both HI and the Graham (Polly) Farmer Foundation (PFF) which HI had retained to develop an approach (PFF is another mixed institution) believed that unless Aboriginal people wanted that outcome there was no point in pursuing it. Independent research commissioned by PFF and funded by HI showed that a significant group of Aboriginal parents in

Karratha and Roebourne wanted good jobs for their children, that the children had the capacity to succeed and they wanted to have the prospect of good work.

Collaboration was possible on that basis. GM was brought into existence by bringing to the table all available stakeholders who might share an interest in that outcome; parents, school, State and Commonwealth Education Authorities, three resource companies each with a vested interest in positive engagement with the Aboriginal community as stakeholders and employees as well as PFF with its remit from the great Aboriginal footballer, Graham (Polly) Farmer, to help young Aboriginal people to succeed. This group determined they had a common purpose and set out to achieve it with extraordinary results in a few years. In the first five (5) years, seven (7) open matriculants went on to university. Fifteen have entered into traineeships and not one of the seventy participants has been in trouble with the law. School attendance figures are close to those of the general community and on teacher accounts the whole atmosphere in the school has changed for the better.

The MAES was driven by local non-Aboriginal determination to change a notoriously bad social situation. Driven by a local cotton grower, Dick Estens, now a member of our board, in collaboration with key Aboriginal leaders, the project has effected increased employment and an extraordinary shift in town self perception and atmosphere. Moree is a place that takes pride in its reconciliation credentials.

The independent evaluation we commissioned brings out complexities which I can't elaborate on here but the verification for me came from the day I spent in Moree being escorted by Lyall Munro – NAC leader in my time as Minister more than twenty years ago. Lyall's guided tour of Moree was in terms of a description of a bleak past and a present of huge improvement. The executive summary from the independent evaluation commissioned by Reconciliation Australia Ltd and paid for by ATSIC, brings out the features of this transforming project.

Each of these endeavours – real examples of real change – involves public/private partnerships, Indigenous/non-Indigenous partnerships, the capturing of Indigenous aspirations, and preparedness of stakeholders to manage towards an agreed objective. What each has achieved is a clear magnification of what could have been expected from the unaided effort of any one of the stakeholders.

A fundamental reason why we need to engage the community and corporate sectors is that there is an interesting chemistry in the interaction between the public and the private sector. Put them together in pursuit of a common objective and each is put on its mettle to perform. Aboriginal people see their aspirations, ideas and initiatives supported and made achievable. Private enterprise in such arrangements embraces a higher public purpose. Public servants see the need for practical and flexible program application to achieve agreed outcomes. It is an extraordinarily productive combination.

There is a further reason for private sector involvement. There are things the private sector can do that governments find difficult: to be flexible and to meet

needs as they occur. It is a feature of modern government that we demand both accountability and efficiency. It is good by itself, but the processes used to those ends, such as purchaser provider models, strict guidelines, and particular program objectives also operate as straightjackets where administrative attention becomes focussed on regulating and controlling processes rather than achieving the social objective. It is pretty widely understood that there is a silo concept of program delivery. Governments define a program and it is administered within its own boundaries. What both GM and MAES demonstrate is that those boundaries often do not fit a carefully defined program boundary.

There is a much larger issue here about how governments can achieve social objectives through programs. I suspect there is a need to reconsider the extent to which programs are delivered in a way that is defined by governments rather than delivered in response to community demands.

Adherence to strict employment department programs in Moree would have diminished the likelihood of social transformation. Adherence to strict administrative arrangements relating to Aboriginal tutorial assistance in Karratha rather than having guidelines designed to meet the operating circumstances of the program, might well have resulted in the continuation of almost no tutorial assistance being accessed as against the very large amount of assistance now being made available. I pose the question: could governments endorse particular community objectives and agree to provide resources in a flexible way to allow community/government partnerships to manage their way towards agreed objectives?

We should not range too widely to find solutions. The experience of the last thirty years should permit realistic assessment of what works and what doesn't. It appears to me that the most positive way forward is the engagement of stakeholders in a genuine partnership that requires a commitment to an agreed objective or set of objectives and a commitment of each stakeholder's resources to achieve those objectives.

For individual organisations this can represent a challenge. In a competitive fundraising environment there is a lot of pressure to be able to show that your organisation is the critical factor. Yet in fact it is probably going to be a part of a mix of factors that, if they are working together will achieve outcomes, but if working alone will fail.

The lesson to me is that we need a fact-based, outcome-oriented, and managed approach to achieving change. Organisations have to be prepared to define their objectives, explain how they intend to reach their objectives, and be accountable for their activities and use of resources. Most of what has to be done is not rocket science; it is simply hard work. I hope that one outcome of this conference will be that the organisations represented here will see the need to work collaboratively to achieve real change.