

## **RUDD'S QUIET REVOLUTION GETS NOISIER**

In November 2007 when the Rudd government was elected into office the country was coast-to-coast Labor.

The all-powerful new Prime Minister set out to do something bold and unusual that others had tried to do, without success, before: to coordinate intergovernmental Commonwealth/State relations and make them consensual in addressing Indigenous disadvantage.

Five years on this 'abnormal' approach seems to be unravelling as Indigenous affairs re-normalises to intergovernmental conflict and buck passing.

In June 2007, Opposition leader Rudd acquiesced to the Northern Territory 'national emergency' Intervention in part because he feared being electorally wedged and missing out on the ultimate prize; and in part because he was ideologically sympathetic to the Howard government's goal of normalisation.

And so in late 2007 and into 2008, at the height of his popularity Kevin Rudd looked to do something different in Indigenous policy nationally while retaining key elements of the Intervention.

Discursively his new project was built on the hugely popular National Apology to the Stolen Generations that simultaneously unveiled the Closing the Gap framework that has come to dominate Indigenous affairs since 2008.

Rudd's slogan, Closing the Gap, was borrowed from two sources: a very different Close the Gap Indigenous Health Campaign run by an alliance of NGOs; and Claire Martin's Closing the Gap of Indigenous Disadvantage: A Generational Plan of Action.

It was hardly original.

Indeed it had core similarities to John Howard's post-2004 emphasis on 'practical reconciliation' and Bob Hawke's over-ambitious Aboriginal employment equity by the year 2000.

Imitation, it is said, is the sincerest form of flattery.

But the Rudd approach was different in two key ways.

First, his framework had very specified targets set to strict deadlines to be met, as it turned out, well beyond the period of his prime ministership.

Anticipating a new partnership between Indigenous and other Australians after the Apology, he noted that the core of this partnership for the future is the

closing of the gap between Indigenous and non-Indigenous Australians on life expectancy, educational achievement and employment opportunities.

In most cases this actually meant halving, not closing, the gap.

The six specific targets were set for periods of an almost short-term five years (for universal access to early childhood education) to a looser period of a generation (to close the gap in life expectancy); they sought to ensure electoral accountability with a report to parliament annually.

The four annual reports to date have studiously avoided any rigorous assessment of whether gaps are closing or not.

Second, his framework was to be jointly owned and underwritten by all governments through the Council of Australian Government's (COAG) National Indigenous Reform Agreement process.

I recall hailing a new 'quiet revolution' in Indigenous affairs in December 2008 as a series of National Partnership Agreements (NPAs) were unveiled committing unprecedented billions of dollars over a decade for Indigenous health, remote housing, remote service delivery, Indigenous family and community safety and economic development.

'Give credit where it is due', I said at the time.

A quick trawl through the COAG website on agreements shows that the Rudd and now Gillard governments have made an art form of NPAs.

Initially, Indigenous-specific NPAs were a significant proportion of the total, both in number and in fiscal quantum; over time proportions of both have abated rapidly.

The states and territories rallied behind Rudd's grand and admirable project in small part because they shared political ideology, but mainly because of the bait of unprecedented Indigenous-specific payments from the Commonwealth.

The political arena of intergovernmental relations in Indigenous affairs has always been hotly contested, especially since 1972 when the Whitlam government defined a lead role for the Commonwealth in this area—five years after being so empowered by the 1967 Referendum.

In the following 30 years there has been ongoing contestation between the Commonwealth and state/territory governments over roles, responsibilities and accountability.

In the absence of any comprehensive needs-based assessment ever, there has

been plenty of room for rhetorical debate about who is responsible for what, while the entire time Indigenous disadvantage has been under-funded.

There have been accusations of substitution funding and cost shifting and neglect that can be summarised by the evocative term 'buck passing'. All this has been well documented by the Commonwealth Grants Commission in the *Indigenous Funding Inquiry 2001*.

Rudd as prime minister was a utopian visionary who was going to put an end to the unsavoury practice of States and Territories gaining additional allocations to address Indigenous disadvantage and then spending these funds elsewhere for political gain.

His vision was to be achieved by techno-bureaucratic agreements that made joint funding contingent on performance.

Cleverly Rudd aimed to unite all governments, even his government and opposition if possible (remember the unsuccessful Indigenous housing commission) into an iron-clad consensus. Closing the Gap would be naturalised and any dissenters from Indigenous communities to NGOs and activists, even international opinion, could be conveniently labelled anti-equality and so marginalised and depoliticised.

But the Rudd vision faced major hurdles.

First it sat uncomfortably with constitutional convention that the States and Territories are responsible for service delivery and the Commonwealth for at arms-length funding.

Second the entire anticipated national partnership consensus ran the risk of monopolistic policy making and associated costs of inappropriate design and implementation for interstate diversity.

Most importantly perhaps it was predicated on continual intergovernmental consensus, something that historically has been rare in Australian Indigenous affairs.

During 2012, the 'quiet revolution' has returned to noisier intergovernmental contestation, with most dissent emanating from new conservative governments in Queensland (elected March 2012) and the Northern Territory (elected August 2012).

The first broadside came in June when the Queensland Education Minister bluntly declared that the SEAM (School Enrolment and Attendance Measure) did not work and would not be supported.

Subsequently in September when Minister Macklin suggested that draconian Queensland budget public sector cutbacks would constitute a risk to closing the housing gap, the Queensland responded that houses provided were of poor standard and inadequate design; and that in any case they were delivered by private sector contractors.

And then in October the Queensland government announced a review of alcohol bans in remote townships, with Mal Brough who had imposed blanket alcohol bans under the NT Intervention, now favouring their relaxation in Queensland.

The second broadside came in September in two stinging media releases from the newly elected NT Minister for Indigenous Advancement Alison Anderson who is no shrinking violet when it comes to confronting Jenny Macklin.

In the first, Anderson stated that ‘Jenny Macklin talks as though she’s closing the gap between indigenous and non-indigenous Australians but she’s in ‘La La Land’ if she thinks that’s the case’.

In the second she suggested that the Commonwealth commitment to job targets meant little as many Indigenous jobs were neither for Territorians nor sustainable. Since election the NT government has also implemented commitments to loosen alcohol restrictions.

One might be tempted to just put all this conflict down to emerging ideological difference, except for some damning evidence.

The Commonwealth’s own in-house evaluation comparing so called ‘SEAM’ and ‘non-SEAM’ children (such terminology is deployed) shows negligible difference in attendance rates due to punitive welfare measures.

And the Australian National Audit Office in its review of remote Indigenous housing in the NT shares Minister Anderson’s concern about employment creation for locals.

Early comparative analysis of data from the 2011 Census raises major concerns about whether gaps are closing at all, let alone in accord within the Commonwealth’s timetable.

And even on alcohol prohibition, a deeply divisive issue, the evidence is far from clear, especially in the NT: crime may have declined, but have people just moved to access alcohol or moved to other illegal substances?

There is clearly much regional variation and a philosophical contest between paternalism and libertarianism.

The mayor of Hopevale Greg McLean is quoted in *The Australian* as stating astutely ‘The AMP [Alcohol Management Plan] worked for statistics, it’s worked for the bureaucrats, it’s worked for those who wanted to get funding for the problem, but it has not worked as a solution’.

Whether the shift from the quiet revolution, Kevin Rudd’s reform consensus, to noisier contestation is good or bad for Indigenous socioeconomic outcomes is difficult to assess.

There is a growing body of opinion that the fundamental shift from community to governmental delivery of services has been unspectacular at best, a dismal disempowering failure at worst.

Part of the problem is that so much evaluation is tightly controlled; another is that what really matters for sustained outcomes like local control and governance is not being measured.

And there is a worrying trend to silence dissenters—like the Indigenous Unit at the Commonwealth Ombudsman’s Office whose complaint and oversight role was defunded in June; and the Office of the NT Coordinator-General for Remote Services that was abolished in October despite sharing similar views to Minister Anderson.

Evidently it is better to entrust monitoring to government-appointed bureaucrats and shoot unwelcome messengers.

The real shame in all this is that Rudd’s COAG consensus locked in all available resources to a particular approach with no political or bureaucratic interest in assessing its net benefit or opportunity cost—in other words, whether things have improved or might have been done better.

The current minister Jenny Macklin is so politically intransigent that any adaptive management of policy is difficult and dismantling of unproductive architecture is impossible. Emerging contestation opens up possibilities for intergovernmental buck-passing—a form of governmental rent seeking—and inefficiency is likely to continue, if not flourish.

Evidently, Kevin Rudd’s abnormal vision for intergovernmental consensus is now re-normalising to the conflict-ridden status quo.

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