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**Rethinking the fundamentals of social
policy towards indigenous Australians:
block grants, mainstreaming and the
multiplicity of agencies and programs**

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ABSTRACT

Social policy towards indigenous Australians was fundamentally rethought in the late 1960s and early 1970s. The result is the current involvement in this policy area of large numbers of government agencies and programs across the range of functional responsibilities and at both State and Commonwealth levels of Australian government. The involvement of such a multiplicity of agencies and programs has recently been much criticised, most notably in the Royal Commission into Aboriginal Deaths in Custody. The alternative suggested by such critics is 'block grants' to Aboriginal community organisations from a single funding source. This idea is characterised as a suggestion for another fundamental rethinking of social policy towards indigenous Australians.

This paper cautions against the uncritical acceptance of this latter reformist idea and proposes that when the Royal Commission's Report is read more broadly, its ambivalence towards its own reformist suggestion becomes clear. It also notes the Commonwealth Government's ambivalence to this idea in its response. The paper goes on to provide a more positive perspective on the large numbers of agencies and programs currently involved in implementing social policy towards indigenous Australians under the sub-headings of manoeuvrability, visibility, amount and diversity of Aboriginal circumstances. Finally, it argues that there is potential for reform in social policy towards indigenous Australians, but that this is primarily at the level of programs, rather than agencies. The Aboriginal and Torres Strait Islander Commission's program structure, in particular, is discussed and lines of potential reform briefly identified.

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Foreword

In response to a call for papers for the 1993 National Social Policy Conference with the theme 'Theory and Practice in Australian Social Policy: Rethinking the Fundamentals', academics at the Centre for Aboriginal Economic Policy Research, Australian National University, submitted three inter-related abstracts with the following titles:

- i 'Indigenous Australians and social policy: rethinking the fundamentals' (J.C. Altman and W.G. Sanders);
- ii 'The role of the Aboriginal and Torres Strait Islander Commission in social policy towards indigenous Australians' (J.C. Altman and D.E. Smith); and
- iii 'Work and welfare for indigenous Australians' (A.E. Daly and A.E. Hawke).

It was anticipated that all three papers would be earmarked for a special session on Aboriginal and Torres Strait Islander issues convened in recognition of the 1993 United Nations International Year of the World's Indigenous People. However, the conference organisers only slotted the first proposal into this session; the second was included in the stream 'Social Policy and the Economy', and the third in the stream 'Work and Welfare'.

Subsequently, the title of the proposed first paper changed to 'Rethinking the fundamentals of social policy towards indigenous Australians: block grants, mainstreaming and the multiplicity of agencies and programs', and Dr Will Sanders wrote the paper as sole author. A version of this paper has been submitted for inclusion in the conference proceedings, but it is also published as a CAEPR discussion paper to make it available immediately to an audience focusing on Aboriginal and Torres Strait Islander social policy.

Jon Altman
Series Editor
September 1993

It is fairly widely understood in the Australian community that social policy towards indigenous Australians underwent a fundamental rethinking in the late 1960s and early 1970s. The existing system, which largely excluded Aborigines from mainstream social policy and placed them instead under restrictive bodies of law administered by State and Territory Aboriginal protection/welfare authorities, was being rapidly wound down; except in Queensland.¹ In its place was emerging a new approach which combined general Aboriginal inclusion in mainstream instruments of Australian social policy, such as the social security system, with an expanding and dramatically revised nationwide Commonwealth presence in Aboriginal-specific programs and policies. This new Commonwealth approach placed far more emphasis on Aboriginal people themselves taking a hand in policy-making and service delivery structures which affected their lives; a point which the Whitlam government attempted to capture in 1972 when it adopted the term 'self-determination' as the central principle of Aboriginal policy. The intent of this revised and expanded Commonwealth presence was not, however, to drive the States out of Aboriginal policy and service delivery, but rather to encourage them to participate in the new revised approach alongside the Commonwealth. Prime Minister Whitlam, addressing State ministers for Aboriginal affairs in 1973, noted that, in establishing a fully-fledged Commonwealth Department of Aboriginal Affairs (DAA), his government's intention was not to create an 'omnibus' department with responsibility for all Aboriginal needs, like some super-sized State or Territory Aboriginal welfare authority, but rather that the new Department would:

instead seek to devolve upon a wide range of Federal, State and local authorities, as well as upon organisations of Aborigines themselves, responsibility for carrying out the policies decided upon by my Government. These authorities would be responsible for Aborigines in the same matters and in the same way as they are now functionally responsible for the community generally (*Australian Government Digest*, April-June 1973: 697).

Over the next twenty years, as Whitlam's vision was gradually being realised, social policy towards indigenous Australians changed from its previous clear containment in single State and Territory agencies to being far more disparate. It now involves large numbers of Commonwealth and State government organisations across the range of functional responsibilities, as well as Aboriginal-specific bodies ranging from the national to the local level.

This fundamentally reformed structure of social policy towards indigenous Australians, which has developed over the last twenty years, has now itself become the object of considerable criticism. The focus of this criticism has been on the sheer number of agencies and programs now involved in providing services and funding to Aboriginal people, both as individuals and as groups, and the apparent lack of coordination and clarity of roles between them. Some critics have suggested that the way to resolve these

problems would be to adopt a system of 'block grants' to Aboriginal communities. Precisely what is meant by this term is not always fully explained. However, on any interpretation, it would seem to involve another fundamental rethinking of social policy towards indigenous Australians.

My aim in this paper is to urge some caution in relation to this apparently alluring reformist idea. I begin in the next section by documenting the multiplicity of agencies and programs now involved in social policy towards indigenous Australians and recounting some of the criticisms of this institutional structure that have been made over recent years. The most notable criticism has been in the National Report of the Royal Commission into Aboriginal Deaths in Custody and I use this report as a convenient statement of the reformist 'block grants' position (Commonwealth of Australia 1991a, 1991b). I note, however, that the Royal Commission seemed somewhat ambivalent about how far it wanted to push the idea, as did the Commonwealth Government in its response to the Royal Commission. I then provide a more positive perspective on the involvement of a multiplicity of agencies in funding and delivering services to indigenous Australians under the sub-headings of manoeuvrability, visibility, amount and diversity of Aboriginal circumstances. Having thus defended the current structure, I do not, however, wish to be misconstrued as defending the proposition that there is no need or potential for reform at all in social policy towards indigenous Australians. In the final section, I briefly outline some changes, at the level of programs rather than agencies, which I think could usefully be made.

The multiplicity of agencies and programs and the block grants critique

There is no doubt that social policy towards indigenous Australians has been characterised in recent years by the involvement of a growing number of government agencies and programs. A listing of Commonwealth indigenous assistance programs during the 1980s contained expenditure in seven portfolios in 1980-81, rising to nine portfolios in 1983-87 (Department of Aboriginal Affairs 1987). The listing for 1991-92 identified expenditure of \$1,161 million in 15 ministerial portfolios through no less than 70 Aboriginal-specific programs and 36 mainstream programs with a specific Aboriginal element (see Tables 1 and 2 and Commonwealth of Australia 1992a). The listing also identified a further 72 mainstream Commonwealth programs with particular relevance to Aborigines, but in which expenditure on them was only rarely separately identified, or identifiable (see Table 2).

Table 1. Commonwealth Aboriginal-specific expenditure by portfolio, 1991-92.

Portfolio	Amount (\$ million)
Aboriginal and Torres Strait Islander Affairs	590
Employment, Education and Training ^a	390
Aboriginal Study Assistance Scheme	(105)
Aboriginal Education Strategic Initiatives	(74)
Training for Aboriginals Program	(96)
Health, Housing and Community Services ^a	143
Aboriginal Rental Housing	(91)
Services for Families with Children Program	(17)
Arts, Sport, Environment and Territories	10.5
Social Security	7.3
Immigration, Local Government and Ethnic Affairs	7.2
Transport and Communications	4.7
Primary Industries and Energy	2.6
Prime Minister and Cabinet	2.4
Administrative Services (including Australian Electoral Commission)	1.2
Defence	0.8
Attorney-General's (including Human Rights and Equal Opportunity Commission)	0.6
Foreign Affairs and Trade	0.2
Industrial Relations	0.2
Treasury (Australian Bureau of Statistics)	0.1
Total	1,161

a. Indented figures are major identified components.

Source: Commonwealth of Australia (1992a).

To this Commonwealth presence needs to be added State or Territory expenditure and programs. Although probably not quite as extensive in terms of overall expenditure, the State or Territory contribution is still significant, and certainly also comes from an equally diverse array of programs and agencies. Arthur (1992), for example, estimated that in Western Australia, in 1990-91, the State government spent \$36 million of its own general revenue on Aboriginal-specific programs, \$10 million of which was spent by its Aboriginal affairs planning authority and the remainder by functional state authorities in areas such as education, employment, health, housing and community services and law and order. Smith (1992) estimated that in the Northern Territory in 1990-91 some \$302 million was probably spent on services to Aborigines through as many as 49 different programs. This was primarily spent through mainstream programs and all through mainstream functional government

agencies, as at that time the Northern Territory Government had no specific Aboriginal affairs agency (see Mowbray 1990). Aboriginal-specific programs only accounted for \$15 million or 5 per cent of this expenditure and mainstream programs with a specific Aboriginal element \$103 million or 34 per cent (Smith 1993).

Table 2. Numbers of Commonwealth Aboriginal programs by functional area.

Functional area	Aboriginal-specific ^a	Mainstream with specific Aboriginal element	Mainstream with particular relevance to Aborigines
Education	11	2	4
Health	5 (2)	6	10
Social security and welfare	12 (2)	2	12
Housing and community amenities	4 (3)	3	3
Culture and recreation	15 (15)	8	14
Transport and communications		4	
Industry assistance and development	5 (4)		
Labour and employment	7 (4)	4	12
Law, order and public safety	7 (2)	1	7
Assistance to local governments		2	
General and other	4 (2)	4	10
Total	70 (34)	36	72

a. Aboriginal affairs portfolio number in brackets.

Source: Commonwealth of Australia (1992a).

This involvement of a vast multiplicity of agencies and programs in social policy towards indigenous Australians attracted the attention of the Royal Commission into Aboriginal Deaths in Custody. Its National Report contained a section entitled 'The Multiplicity of Funding Agencies' which commented, *inter alia*, as follows:

Many critiques have been written about the extent to which the multiplicity of government agencies (which, at all levels, maintain programs relating to Aboriginal people) serves to diminish the prospect of self-determination and self-management of these (Aboriginal) communities ...

Departments and agencies are constantly coming to communities with programs, proposals to do assessments and feasibility studies. I heard of committees dealing with up to thirty-five bodies. They are submerged in people wanting to consult ... This is obviously very frustrating for communities and appears to be inefficient. One can also see very well the difficulty ... about control and setting priorities ... when funding comes from so many sources and is tied in so many

ways. But above and beyond this the whole process can only tend to take decision-making power out of Aboriginal hands. The communities are constantly responding to agendas promoted from outside, rather than setting their own agenda and then negotiating about relevant matters...

The multiplicity of funding agencies, the obvious overlap between many programs from one department to another, the apparent competition for programs to be adopted by Aboriginal communities all present a grossly complex and unwieldy environment which is hardly conducive to effective self-determination and self-management. So far as I can see, no Aboriginal individual or organisation, anywhere, has asked for this complex multi-layered, bureaucratic and organisational picture to be the reality of Aboriginal self-determination and self-management. All of these arrangements are the product of non-Aboriginal bureaucratic and political notions of the organisational needs and program needs for Aboriginal communities. There is a quite tragic waste of time and money involved in the maintenance of such a ludicrously complicated funding super-structure (Commonwealth of Australia 1991b: 13-15).

Amongst this criticism, the Royal Commission also expressed the view that the 'ideal situation' would be that all funds provided for Aboriginal communities come through a 'single source' (Commonwealth of Australia 1991b: 14). Accordingly, at the end of its section on the multiplicity of funding agencies, the Royal Commission made two recommendations, the first of which, number 190, suggested that:

the Commonwealth Government, in conjunction with the State and Territory Governments, develop proposals for implementing a system of block grant funding of Aboriginal communities and organisations (Commonwealth of Australia 1991b: 21).

The second, recommendation 191, suggested that these governments:

develop means by which all sources of funds provided for or identified as being available to Aboriginal communities or organisations wherever possible be allocated through a single source with one set of audit and financial requirements but with the maximum devolution of power to the communities and organisations to determine the priorities for allocation of such funds (Commonwealth of Australia 1991b: 21).

These recommendations were not, as the Royal Commission recognised, breaking entirely new ground. The first, in particular, had been consciously cast in terms similar to a recommendation of a recent report of the House of Representatives Standing Committee on Aboriginal Affairs (1990). One earlier influential unofficial report had also recommended the idea of 'block grants' with allocations based on a process of 'submissions and assessments of needs' following 'a Commonwealth Grants Commission model' (Coombs, McCann, Ross and Williams 1989).

These calls for block grants and a single funding source sound very much like a call for another fundamental rethinking of social policy towards indigenous Australians. On being informed that, in 1992, the Commonwealth Government gave its support to all but one of the Royal

Commission's 339 recommendations, including the above two, one could be excused for believing that such a fundamental rethinking of social policy towards indigenous Australians was presently under way. But this is not so. On a wider reading of both the Royal Commission and the Commonwealth Government's response, it becomes clear that neither of these bodies was in fact entirely convinced of the merits of the block grant proposal.

The Royal Commission, mainstreaming and block grants: a wider reading

The Royal Commission into Aboriginal Deaths in Custody was not generally of the view that social policy towards indigenous Australians needed fundamental rethinking. It was, in fact, largely supportive of the developments which had occurred in social policy towards indigenous Australians since the late 1960s and early 1970s. It strongly endorsed the idea of 'self-determination' as the appropriate policy principle and sought, in its deliberations, to make suggestions which 'if adopted, may result in a more meaningful application of the principle' (see Commonwealth of Australia 1991a: 503-20, 1991b: 5). It also enthusiastically endorsed the new role in policy-making and service delivery of Aboriginal organisations, the 'growth and effectiveness' of which it claimed to be 'one of the most remarkable developments in the last twenty years' (Commonwealth of Australia 1991b: 22). It looked to these Aboriginal organisations as providing the 'best hope' for achieving fuller self-determination in the future (Commonwealth of Australia 1991b: 24).

This enthusiastic support for Aboriginal organisations put the Royal Commission somewhat at odds with the other major institutional development in social policy towards indigenous Australians of the last twenty years; the parallel inclusion of Aborigines in more mainstream functional service delivery structures at all levels of Australian government. The Whitlam vision did, in retrospect, have a major internal tension here, in that it encouraged the servicing of Aborigines, both by mainstream Commonwealth, State and local government agencies, and by Aboriginal organisations. It encouraged the development of what have become, in a sense, two competing constituencies of Aboriginal service agencies: the Aboriginal community-based agencies, funded primarily, though not exclusively, from the Commonwealth Aboriginal affairs portfolio, and more mainstream functional government agencies. The former organisations, often fairly small and meagrely resourced, have increasingly observed mainstream expenditure on servicing Aborigines and coveted it as their own. The latter, on the other hand, have been placed in the somewhat invidious position of being criticised if they don't service Aborigines, but also criticised if they do. In strongly supporting the Aboriginal community-based agencies, the Royal Commission was,

necessarily, also drawn into taking a position in relation to the mainstream agencies.

The block grants and single funding source idea would seem, on one reading, not to admit very much of a role for mainstream functional agencies of government in servicing Aborigines. Certainly there are times, in its National Report, when the Royal Commission was fairly dismissive of the role of mainstream organisations. In a section entitled 'The Role of Aboriginal Organisations and Mainstreaming Policies' the Royal Commission argued that it would be 'thoroughly undesirable' to insist upon 'mainstreaming in service provision' for Aborigines because of 'narrowly focussed notions of efficiency and effectiveness' (Commonwealth of Australia 1991b: 24). It then went on to argue that:

self-determination cannot be a reality if governments fail to recognize that Aboriginal people have clearly voiced their preference for using Aboriginal organisations; not only as their negotiators, but as the agents for delivering services. The Aboriginal organisations, when given adequate funding and when placed in a position in which they are respected negotiators and service deliverers, have performed much more effectively than the majority of mainstream agencies have performed in relation to Aboriginal people. They are trusted, they know and respect Aboriginal society and culture and they enhance self-respect within the Aboriginal community as they fulfil their roles (Commonwealth of Australia 1991b: 25-6).

Accordingly, the Royal Commission's recommendation 192 stated:

That in the implementation of any policy or program which will particularly affect Aboriginal people the delivery of the program should, as a matter of preference, be made by such Aboriginal organisations as are appropriate to deliver services pursuant to the policy or program on a contractual basis (Commonwealth of Australia 1991b: 29).

Only where no 'appropriate' Aboriginal community-based organisation is available should 'any agency of government' deliver the service; and then it should do so 'in consultation' with 'Aboriginal organisations and communities' to ensure that the services and delivery processes are 'appropriate' (Commonwealth of Australia 1991b: 29).

Amongst these strong anti-mainstreaming ideas were, however, some different sentiments. The Royal Commission noted in passing that there are instances in which mainstream and Aboriginal community-based organisations 'work comfortably' alongside each other, in areas such as health and housing services (Commonwealth of Australia 1991b: 25, 34). It also noted that:

Aboriginal interests appear ... to recognize that there are 'mainstream' services which can only soundly be delivered by mainstream agencies, and Aboriginal people are willing users of many mainstream services such as Medicare, Commonwealth Employment Service (CES), ambulance services, hospital

services, library services, tertiary education services, court services and others (Commonwealth of Australia 1991b: 25).

In discussing the roles of the Commonwealth's Aboriginal and Torres Strait Islander Commission (ATSIC) and its Department of Employment, Education and Training (DEET) in the Aboriginal Employment Development Policy (AEDP), a major policy initiative of the mid 1980s which saw expenditure on Aboriginal-specific employment programs increase significantly, the Royal Commission noted that there will be:

many situations where it would be inappropriate for ATSIC to duplicate the functions of a government department which provides specialist services under its own budget and programs (Commonwealth of Australia 1991b: 18-19).

All this would seem to suggest that while the Royal Commission was clear in its wish to encourage the further development of Aboriginal community-based organisations, it was not so clear in its attitude to mainstream organisations servicing Aboriginal people. To the extent that the block grants and single funding source ideas seemed to suggest that these organisations had little or no role to play, they seemed to be somewhat overstating the Royal Commission's position. Indeed, at one point the Royal Commission expressed considerable reservations about its own block grants proposal, saying the idea was 'not without its difficulties':

Consider, for example, a scenario in which a community is allocated funds by an ATSIC Regional Council on the basis of an assessment of the health needs of all communities and organisations in the council's region. What should be the response of government, or of ATSIC, if a community then decided that instead of allocating those funds to health needs it decided instead to spend the money on lighting or transport needs?

In this illustration it could be said that the community had spoken - it had applied the principle of self-determination to set its own priorities- and so it had. But might government not have a legitimate concern to ensure that the health needs of citizens were not being denied? Might the Regional Council not have a similar concern that its careful assessment of competing needs in the health area and its budget allocation to the relevant community or organisation would have been different had it known the purpose for which the funds were to be applied?

If the funding came through ATSIC was that not also a process of self-determination which it had applied in making its allocation of funds between communities? (Commonwealth of Australia 1991b: 19-20).

The above leads me to suggest that the Royal Commission into Aboriginal Deaths in Custody was somewhat ambivalent about its block grant/single funding source proposal and about driving the mainstream service delivery organisations away from servicing Aborigines. The Royal Commission was, I believe, on a wider reading, far more committed to continuing and extending the social policy approach towards indigenous Australians of the last 25 years, than in any serious way overturning or fundamentally rethinking that approach.

The Commonwealth Government's response to the Royal Commission

It is also interesting to note the Commonwealth Government's response to the two recommendations of the Royal Commission relating to block grants and single funding sources. Beyond its formal utterance of 'support', the Commonwealth Government diffused the fundamental policy implications of the first of these recommendations by stating that ATSIC:

already adopts block grant arrangements within programs where organisations and communities have demonstrated a capacity to cope with this form of funding (Commonwealth of Australia 1992b: 725).

On this interpretation, block grants were not seen as anything radically new or fundamentally different from what already existed. The Commonwealth was willing to say that it would work with the State and Territory governments 'to examine the options for further expansion of this approach' (Commonwealth of Australia 1992b: 725). However, since it had already re-interpreted the block grant idea to equate with what already existed in ATSIC, expansion of the approach could hardly be seen as fundamental change.

In relation to the recommendation about a single funding source, the Commonwealth agreed that the 'objective of minimising the number' of funding sources should be pursued. However, it went on to say that:

different tiers of Government with different responsibilities, using the same corporate entity to pursue different objectives, make it inevitable that multiple sources of funding will continue to exist (Commonwealth of Australia 1992b: 729).

Hence, although the Commonwealth formally supported both of these recommendations, this support was in fact largely without substance. The Commonwealth was not greatly receptive to either of these recommendations. It seemed as yet unconvinced of the need to fundamentally rethink social policy towards indigenous Australians in the direction of block grants and a single funding source and away from the trends of the last twenty years.

Mainstreaming and the multiplicity of agencies: a more positive perspective

My approach to the multiplicity of agencies currently involved in social policy towards indigenous Australians has long been more positive than that of the reformist critics. I take the view that the growing number of agencies involved in funding and servicing Aborigines has in fact been a very central and beneficial part of the development of social policy towards

indigenous Australians over the last 20 years. There are a number of reasons for this, which I will discuss under the labels of manoeuvrability, visibility, amount and diversity of Aboriginal circumstances.

Manoeuvrability

It is a fairly widely held view that the degree of Aboriginal autonomy in relation to the larger society and nation state has increased significantly over the last twenty years (Tonkinson and Howard 1990). This is often related, as in the Royal Commission, to the emergence of effective Aboriginal organisations. However, it is seldom also related to that other half of developments in social policy towards indigenous Australians over these years; the growing multiplicity of servicing and funding agencies. An argument can be made that the growing multiplicity of service delivery and funding sources for Aborigines over the past twenty years has, in fact, played a major part in the increased potential for Aboriginal manoeuvrability in relation to government and the larger society, and particularly in relation to any one government agency. What Aborigines cannot achieve or obtain through one government agency under one guise, might just be achievable, under a slightly different guise, through another. Gerritsen (1982a, 1982b) was probably the first to put this argument seriously, and both he and I have repeated it since (Gerritsen 1990; Sanders 1991). The Royal Commission gave the argument some passing credence when it admitted, somewhat off-handedly, the possibility that the 'very vagueness of current understandings' about the responsibilities of various agencies might provide an 'opportunity for communities to maximise the level of funding' flowing to themselves, rather than restrict it (Commonwealth of Australia 1991b: 13). Elsewhere, it also noted that where 'co-ordination' and clarity of responsibility between government agencies had been a 'fact of life' in Queensland from the mid 1970s to the early 1980s, this had generally not been seen as 'producing the best possible results for Aboriginal communities' (Commonwealth of Australia 1991a: 538). Queensland had not, in those years, yet fully escaped from the old Aboriginal welfare authority regime of earlier years, which was in many ways a single funding source for Aboriginal people. Now that it has, perhaps Aborigines there too are beginning to enjoy some of the increased potential for manoeuvrability which has flowed from the multiplicity of rather poorly coordinated servicing and funding agencies.

Visibility

Current institutional arrangements for social policy towards indigenous Australians combine highly visible expenditure on Aboriginal people through Commonwealth and State Aboriginal affairs portfolios with slightly less visible expenditure through Aboriginal-specific program elements in mainstream portfolios and the largely invisible inclusion of Aborigines in mainstream programs of mainstream portfolios. One of the great virtues of mainstream service provision for Aborigines which is often

overlooked is this invisibility. Conversely, one of the weaknesses of Aboriginal-specific programs, particularly when isolated in Aboriginal affairs portfolios, is their ready identifiability as 'special' expenditure on Aborigines. ATSIC clearly has a problem here. I can already see the newspaper headlines a couple of years hence, when ATSIC is billed as Australia's \$1 billion Aboriginal affairs body. Few will read far enough into the articles that follow to discover that a significant proportion of this expenditure is on a program, the Community Development Employment Projects (CDEP) scheme, in which Aborigines forgo the right to Jobsearch and Newstart allowances from the Department of Social Security (DSS) and work instead for an equivalent amount for their local Aboriginal community association/council.² This expenditure should arguably, therefore, be thought of as social security expenditure.

There will, of course, be no headlines a couple of years hence saying that in all probability there is just as much money flowing to Aborigines as personal income from the social security system proper as from ATSIC (Altman and Smith 1992), since this is largely invisible expenditure which Aborigines are entitled to along with other Australian citizens. Indeed, the social security system is probably the best example of the invisibility of important mainstream government expenditure on Aboriginal people. Social security payments have, over the years, allowed many Aboriginal people, as individuals and as groups, to undertake activities which might not otherwise have been viable (see, for example, Gilbert 1973: 166-82; Bell 1978; Sanders 1986: 153-82; Coombs, McCann, Ross and Williams 1989: 25). The amount identified in Table 1 as social security expenditure on Aborigines, a mere \$7.3 million, is simply for a number of small ancillary programs intended to improve Aboriginal access to mainstream social security programs. The same could probably also be said for much of the funding in mainstream Commonwealth portfolios in the bottom half of Table 1. The amounts are not great. The programs involved are not best seen as major sources of resources for Aborigines, but rather as ancillary ways in which these departments sensitise their larger, more mainstream operations and programs to the presence and particular needs of the Aboriginal portion of their clientele.

Amount

This brings me to the third reason for regarding more positively the current institutions of mainstream service provision and the multiplicity of funding agencies for Aborigines. The argument here is quite simply that Aboriginal people do at present, and will in the long run, get far more resources to pursue their goals from large mainstream social policy organisations than they ever will from smaller Aboriginal-specific ones. Again, while social security is the most obvious example, there are many others as well. For example, one recent DEET compilation of statistics suggested that only one in five Aboriginal clients accessing its Commonwealth Employment

Service was presently being put on an Aboriginal-specific program; compared with one in three a year ago (*The Job Report* May 1993: 6-7). There was, it seemed, a trend for Aboriginal people to be placed on mainstream programs, thereby increasing the amount of resources potentially available to Aborigines, and also decreasing the visibility of that expenditure. Clearly, the amount of resources both currently and potentially available to Aborigines through mainstream government service organisations should not be lightly disregarded by those thinking about the future direction of social policy for indigenous Australians.

Diversity of Aboriginal circumstances

A fourth rationale for maintaining a strong mainstream element in service delivery for Aborigines, and hence the multiplicity of agencies involved, is the diversity of circumstances in which Aborigines find themselves and the possible diversity of their aspirations arising from these circumstances. Aboriginal circumstances in Australia today span a vast continuum: from the most remote, and still largely separate, to the most urbanised and massively enveloped. Along the continuum there are Aborigines who may have very different and varied aspirations. Some may seek virtual total incorporation into the larger economy and society, as full-time individual wage earners, entrepreneurs, professionals and so on. Others may seek varying degrees of partial incorporation, with lesser levels of employment and income and more time for distinctly Aboriginal pursuits. To allow for this range of choices, a diversity and multiplicity of potential organisational sources of support may be a great asset. Some Aboriginal people may prefer to draw on the predominantly individualised services of mainstream government departments, while others may wish to draw on the more community-based support of ATSIC and other Aboriginal affairs bodies. Contrary to some writers, for example Mowbray (1990), I do not consider mainstream service provision as necessarily equivalent to 'assimilation'.

Potential for reform: programs, not agencies

This more positive perspective on mainstreaming and the multiplicity of agencies now involved in servicing Aborigines should not be construed as suggesting that there is no room for the reform of present arrangements in social policy towards indigenous Australians. Clearly, there is. This room for reform is primarily at the level of programs, rather than agencies. All agencies should be further encouraged to take responsibility for servicing Aborigines as well, and as appropriately, as they do their non-Aboriginal clientele. This is current Commonwealth government policy under its Access and Equity Strategy (Commonwealth of Australia 1992a: 34; Department of the Prime Minister and Cabinet 1992). There is, then, very little prospect of reducing numbers of agencies involved in servicing

Aborigines, and every prospect of an increase. Programs, however, are another matter.

One clear potential area for program reform is within ATSIC itself. The Commonwealth Aboriginal affairs portfolio, during the early years of its existence, virtually replicated the whole range of government functional areas in its program structure. It has, in recent years, largely continued to do so, as can be seen from the broad functional spread of Aboriginal affairs portfolio programs listed in brackets in the first column of Table 2. In the early days, this program structure may have been a useful way of second guessing and encouraging mainstream departments to become involved in servicing Aborigines. However, now that many of these mainstream departments have taken up that challenge, to some significant degree, such a program structure may no longer be so desirable. ATSIC should, I would argue, be trying to use its program structure more strategically - to fill gaps, or to create programs which are quite different from those provided by mainstream departments, rather than simply replicating their program structures. This has begun to happen in recent years, but only slowly. It has been harder for ATSIC and its predecessors to remove old programs than to begin new ones.

One example of significant program change in the Aboriginal affairs portfolio of recent years has been the rise of the CDEP scheme, referred to earlier. The scheme dates from the late 1970s, but has grown enormously over the last ten years. In 1991-92 it accounted for 35 per cent of the ATSIC budget and 20,000 Aboriginal workers in 185 communities - up from 4 per cent, 1,300 workers and 18 communities a decade ago. This has clearly been a major program change which has taken ATSIC some way towards making 'block grants' to the Aboriginal communities involved. The CDEP grant is often by far the biggest source of funds flowing directly to a participating Aboriginal community association/council, and because of the nature of the scheme, as a notional equivalent of social security entitlements, it gives these organisations considerable power to assert their independence in deciding what community members should work on and how (Deloitte Touche Tohmatsu 1993).

Another example of a more recent program reform within ATSIC has been the amalgamation of housing and community infrastructure into one program area, the Community Housing and Infrastructure Program (CHIP), comprising some 30 per cent of ATSIC's total budget. This proportion could increase further over the next year or so, as Commonwealth/State Housing Agreement money for Aboriginal Rental Housing is transferred from the mainstream Commonwealth Housing portfolio to ATSIC.

With CHIP and CDEP together now constituting some two-thirds of the total ATSIC program budget, and potentially even more in the near future,

there is some truth in the view that a significant degree of block grant funding does already exist within ATSIC, though clearly not within government as a whole. There is also some prospect of this approach being further developed within ATSIC, particularly as there is now some talk of attempting to integrate the CHIP and CDEP programs.

A third area of potential program reform within ATSIC would seem to flow from the presence of regional councils within the Commission's structure. Presently these councils only control a small percentage of ATSIC expenditure (Smith 1993). However, there are clear pressures and moves afoot within the Commission which may see this amount increase significantly in the next few years. Some have suggested that ATSIC might adopt a 'geographic approach' to its program structure within this regional framework, and largely do away with its functional program structure (Dillon 1992: 102, *ATSIC Reporter*, June/July 1993: 7; see also Altman and Sanders 1991: 16). This is certainly an approach worthy of further exploration.

Conclusion

In summary, I argue against any idea that social policy towards indigenous Australians needs fundamental rethinking along the lines of block grants and a single funding source. On the whole, I defend the current situation, with all its multiplicity of funding and service agencies, its vagueness of responsibilities and apparent lack of coordination. However, I do recognise significant potential for reform, particularly in the area of ATSIC's program structure. In arguing for the maintenance of the present situation, I do not deny the difficulties encountered by Aboriginal community-based associations and councils when they have to deal with large numbers of government agencies in order to gain access to services and funding. I simply point out that this multiplicity of agencies and lack of clarity over responsibilities has its benefits, as well as its costs. Anyone who is interested in rethinking social policy towards indigenous Australians should bear this in mind.

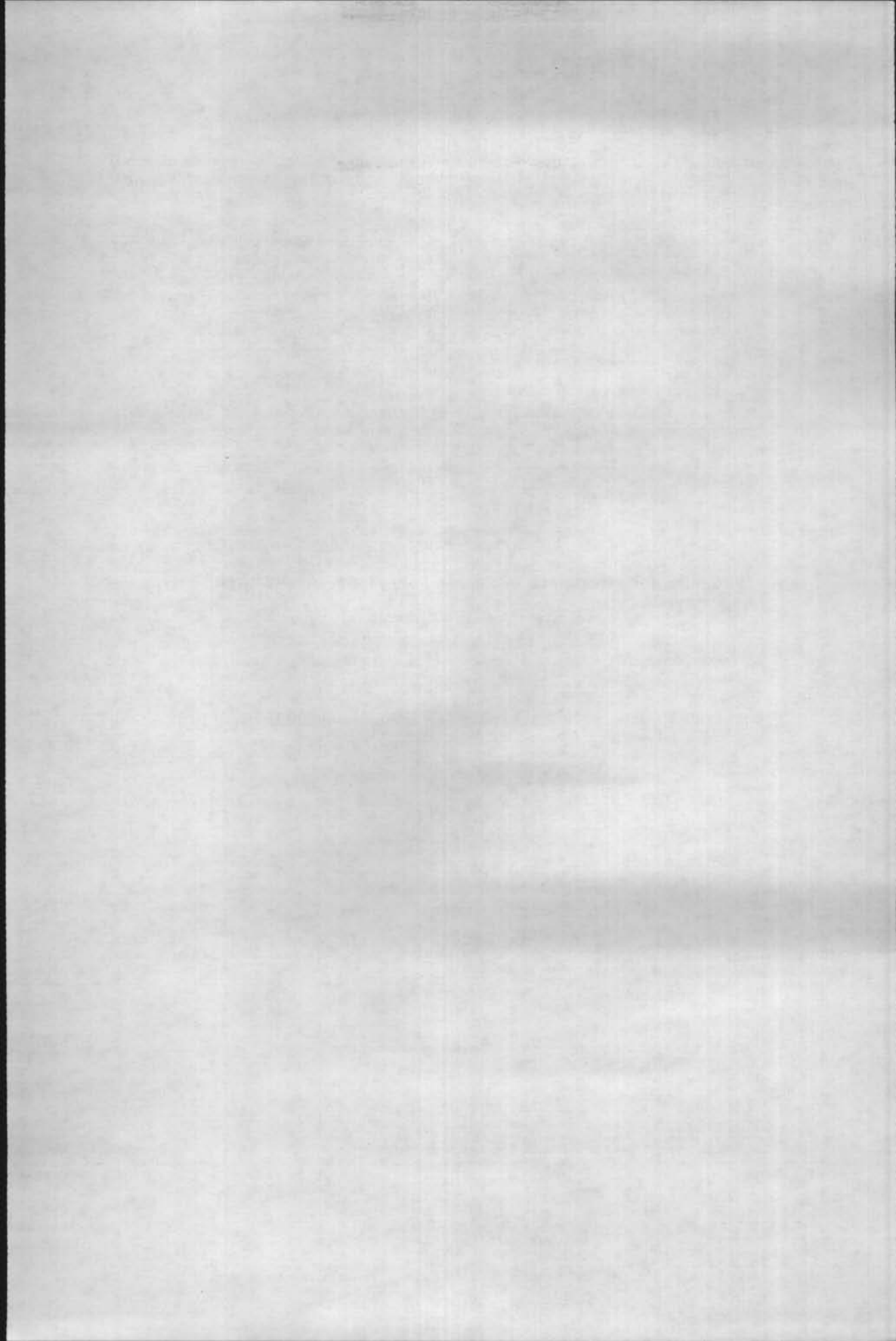
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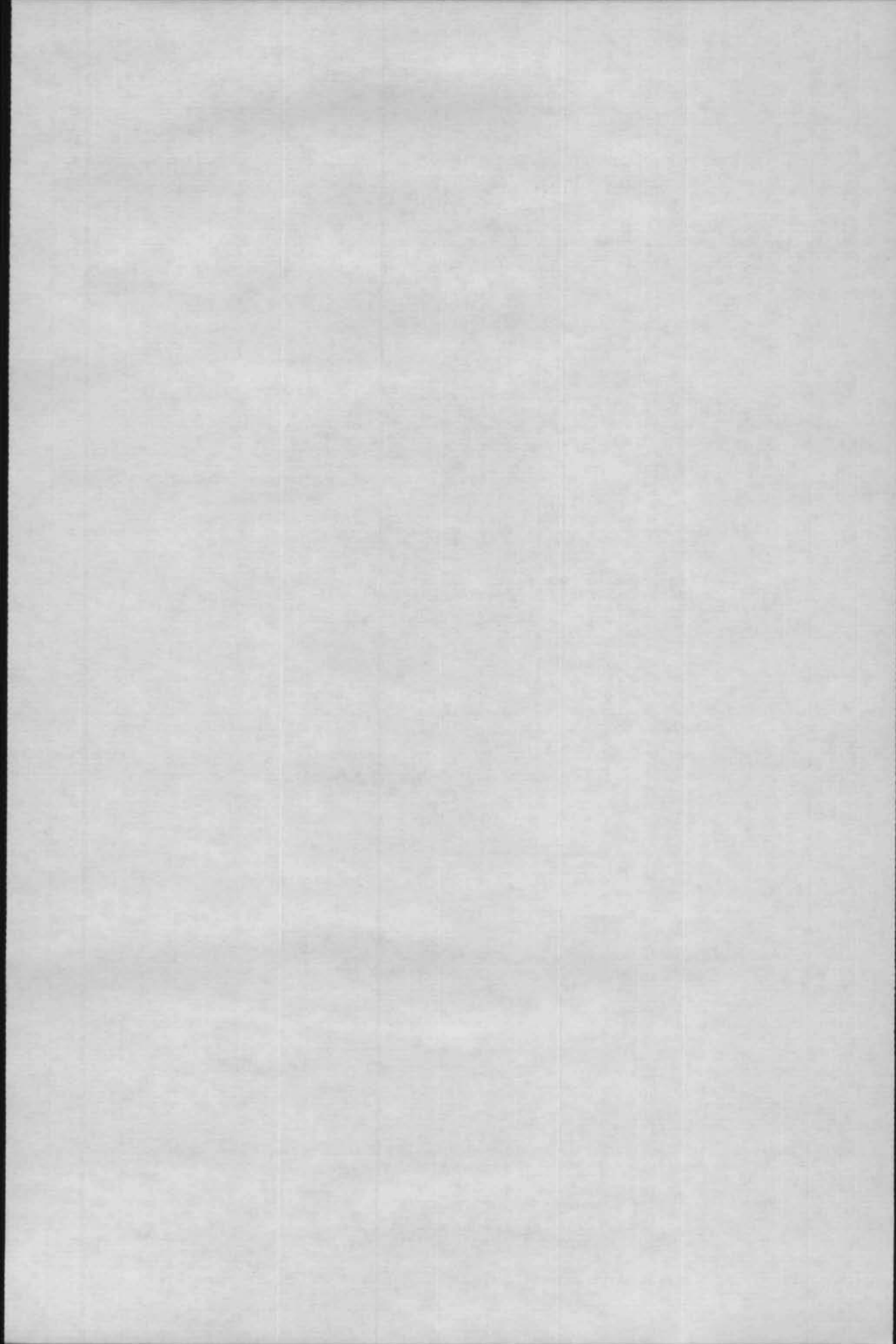
1. The terms Aboriginal and Aborigines are used throughout to refer to all indigenous Australians, including Torres Strait Islanders.
2. CDEP expenditure is currently around 35 per cent of the total ATSIC budget, however, a little less than one-third of this amount is 'on-cost' and 'support' money, leaving roughly 25 per cent of ATSIC's budget as notionally a DSS offset.

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