Governance and service delivery for remote Aboriginal communities in the Northern Territory: challenges and opportunities

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Introduction

Much has been written about the issues of Aboriginal Australian self-determination, self-governance and sovereignty. This report attempts to identify a way forward on some of the challenging self-governance and service delivery issues facing governments and Aboriginal peoples, by identifying strategic opportunities for change and the development of more collaborative relationships. It has been commissioned by the Central Australian regional office of the Aboriginal and Torres Strait Islander Commission (ATSIC). However the report has not been restricted, in its commissioning, to either an ATSIC or a Central Australian perspective. The issues here are of relevance to all stakeholders dealing with the related issues of governance and service delivery for remote Aboriginal communities across the Northern Territory. Underlying the report is the basic premise that self-governance, local government and service delivery are inextricably intertwined both conceptually, and in practice.

We commence by providing some background on Aboriginal affairs reform dating from the 1970s and the granting of Northern Territory self-government in 1978, and describe the emergence of some rather adversarial relationships in governance and service delivery for remote Northern Territory Aboriginal communities during the 1980s and 1990s. These adversarial relationships between Commonwealth-sponsored and Northern Territory-sponsored organisations need to be overcome. In this context, more collaborative approaches to gaining effective self-governance and service delivery for remote Aboriginal communities are emerging, but they require significant further development, and need to be underpinned by the development of regional service delivery agreements.

The report also examines land rights and local government reform proposals and more collaborative service delivery arrangements already being developed in housing and health. The need for the further development of regional support organisations to assist and service local Aboriginal communities is identified as a critical factor, while acknowledging that in discrete remote communities many services must still be addressed at the individual community level. We argue strongly for an incremental, but planned, approach to governance and service delivery reform, rather than grand institutional redesign. Potential implications and ways forward for Central Australia are considered and related recommendations are set out at the end of the report.

Aboriginal affairs reform and Northern Territory self-government: developments of the 1970s

During the 1970s, Aboriginal affairs, both in Australia generally and the Northern Territory in particular, underwent significant reform. The Welfare Branch of the Commonwealth's Northern Territory administration disappeared and became part of a new national Commonwealth Department of Aboriginal Affairs (DAA). In the process former Welfare Branch officers were removed from many remote Aboriginal communities in the Northern Territory and replaced by community advisors employed by, and answerable to, local Aboriginal community organisations. These emergent Aboriginal community organisations were encouraged to incorporate by the DAA (primarily under the Commonwealth *Aboriginal Councils and Associations Act 1976* (ACAA)) and were funded for the delivery of some services and the conduct of some aspects of local governance in their communities.

Meanwhile, in response to growing national and international pressure, Aboriginal land rights were becoming an issue of major concern across Australia. Both Labor and Coalition Commonwealth Governments pursued land rights reforms

in the Northern Territory, where the Commonwealth could act without the complications of a concurrent State jurisdiction. The result was the *Aboriginal Land Rights (Northern Territory) Act 1976* (ALRA), which transferred existing reserved lands to Land Trusts representing Aboriginal traditional owners. The ALRA also established the Northern Territory Aboriginal land councils as regional bodies to support traditional owners both in the management of these lands and in making claims for other unalienated crown land (Howie 1981).

No sooner had these reforms been put in place in Aboriginal affairs, than the Commonwealth granted self-government to the Northern Territory under the *Northern Territory (Self-Government) Act 1978.* However this was generally viewed in the Northern Territory to be somewhat less than full self-government because there were a number of State-type responsibilities which the Commonwealth retained. One of these retained responsibilities was matters arising under the ALRA, while another related to issues arising under the Commonwealth *Atomic Energy Act 1953,* and hence uranium mining. The importance of these issues in national politics in the 1970s was behind the retention of responsibilities by the Commonwealth. However, from a Northern Territory Government perspective, this retention was fairly quickly and strongly resented.

The historical role of the Commonwealth in administering the Northern Territory and in continuing to maintain some direct responsibility for Aboriginal land issues through the ALRA following Northern Territory self-government, stands in stark contrast to State jurisdictions. Both have contributed to a tendency amongst the Northern Territory's Aboriginal people to look to the Commonwealth to promote and protect their interests. The view of the Northern Territory Government, on the other hand, emphasises its 'right to govern' for all its citizens. These different viewpoints have contributed to the development of an adversarial political culture in the Northern Territory in the 1980s and 1990s.

An adversarial political culture: developments in the 1980s and 1990s

At the time of self-government and soon thereafter, the new Northern Territory Government moved quickly to occupy as full a governing role as it could across the Territory, including in relation to remote Aboriginal communities. It negotiated to take responsibility for normal essential services functions under a Memorandum of Understanding, including power, water and roads, in 42 of the larger remote Aboriginal communities (while leaving such functions in smaller remote Aboriginal communities to the DAA). It also quickly enacted local government legislation, which as well as providing for municipal governments in urban areas, provided for the incorporation of community government councils in smaller or more remote centres. This, and a general Northern Territory associations Act, offered two alternative forms of incorporation for Aboriginal community organisations to that under the Commonwealth's ACAA. Northern Territory Government departments also began offering funding of various sorts to these local Aboriginal community service delivery and governance organisations.

In the land rights arena in the 1980s, the Commonwealth-sponsored Aboriginal land councils were busily assisting local groups of Aboriginal traditional owners to claim unalienated crown land under the ALRA. The Northern Territory Government, on the other hand, generally opposed these claims, if only as it often claimed to test their veracity. This process established an increasingly adversarial relationship between the new Northern Territory Government and Aboriginal interests, as represented by the land councils, in the crucial policy arena of land.

This adversarial relationship developed in the land rights arena has carried over into other policy areas as well. For example, the land councils distrusted the

Northern Territory Government's push for the development of community government councils in remote Aboriginal communities, believing that the authority of these local governments would conflict with, and undermine the role of, traditional Aboriginal land owners in these communities, whose interests the land councils represented.

Rowse (1992: 59–90) summarises the development of this adversarial relationship between the Commonwealth-sponsored land councils and the Northern Territory Government's encouragement of community government councils up to the early 1990s. Each was, in a sense, trying to marginalise the other in favour of its own structure as the single most appropriate organisation for the representation of local Aboriginal interests and the delivery of services. Rowse encourages us to be sceptical of the assumption, held on both sides of this debate, 'that community power is, or should be made to be, a unified, centralised sovereignty'. This, he argues, is 'one of the most common and seductive assumptions in the discussion of Aboriginal self-government', which ought to be resisted (Rowse 1992: 89). Rowse notes that:

> If there is one lesson that must be drawn from an anthropological consideration of Aborigines' emerging instruments of self-determination, it is that 'autonomy' refers not only to Aborigines' relationships with non-Aboriginal society, but, just as important, it refers to their relationships with one another (Rowse 1992: 90).

Rowse directs us, instead, to a model of 'dispersed governance' for Aboriginal communities, which is to some extent already being practiced (Rowse 1992: 89). There should, he argues, be a series of agencies involved in governance and service delivery for the Northern Territory's Aboriginal communities, all of which are 'able to negotiate cooperation with one another when the need arises, but secure in their autonomy' (Rowse 1992: 90).

This analysis remains valid today. We will shortly examine the latest attempts to reform land council and local government structures for remote Aboriginal communities in the Northern Territory in the light of this analysis. First, however, some comments on economic development.

Economic development and co-dependence

The ongoing tensions between the aspirations of Aboriginal people for self-determination and self-government have, on the one hand, been expressed and pursued through ATSIC, land councils, community councils and other Aboriginal organisations in the Northern Territory. Meanwhile on the other hand, the Northern Territory Government's primary focus has remained on economic (and specifically resource) development and its 'right' to govern. These historical developments have in part contributed to entrenched and unresolved tensions between Northern Territory Aboriginal interests and the Northern Territory Government. These were most recently evidenced in the failure of the statehood referendum in 1999 (which was overwhelmingly rejected by Aboriginal voters) and the current debate over mandatory sentencing laws.

However Aboriginal people are major economic stakeholders in the Northern Territory. They currently own 40 per cent (potentially 52%) of the Northern Territory land mass. The Northern Territory economy remains heavily reliant on meeting Aboriginal service delivery needs, resource development and cultural tourism. The only other industries are defence, high levels of subsidised Commonwealth Government general revenues and Northern Territory Government capital works programs (Northern Territory Government 1999; Commonwealth of Australia 1995).

There also continues to be a significant Aboriginal component to the Commonwealth Grants Commission's (CGC) determination of expenditure disability

factors for the Northern Territory, upon which the Northern Territory Government budget continues to be heavily reliant (Smith 1992a, 1992b).

In a real sense, there is therefore already an unstated and perhaps unwilling 'partnership' of economic co-dependence between the Northern Territory Government and Territory Aboriginal people. This is despite the current Chief Minister's statements (ABC *Parliamentary News Network*, July 1999) that the ALRA has primarily led to the Northern Territory inheriting a welfare-dependant Aboriginal population. The negatively constructed economic co-dependence of previous decades needs to be recast as an economic partnership, and this paper concentrates on ways to facilitate such a change.

Recent attempts at land rights and local government reform

There have in the last couple of years been attempts to initiate reform in both the land rights and local government regimes in the Northern Territory. The review of the ALRA by John Reeves QC argued for a wholesale restructuring of the institutions of Aboriginal land and governance into a Northern Territory Aboriginal Council and 18 regional land councils (Reeves 1998: chapters 27–8). Meanwhile, in what one commentator saw as a mutually inspired move (see Mowbray 1999), the Northern Territory Government moved to reform its local government arrangements, particularly for small community government councils.

In February 1999, the Northern Territory Minister for Local Government issued a statement on the reform and development of local government in the Northern Territory. It argued that many of the Northern Territory's local councils, servicing populations as small as 300 people, were too small to attract 'sufficient numbers of qualified, competent and ethical staff' or to generate the revenue necessary to support the delivery of minimum services or to sustain an administration that allows for the achievement of any economies of scale'. Because of this, the Minister argued, the number of councils in 'rural and remote areas' should be lessened from the current number of 62.

No particular number of councils was set, but the Minister argued that 'councils with a population of less than 2,000 people encounter greater difficulties in maintaining adequate levels of administration and service delivery over the longer-term than those with larger populations' (Braham 1999: 3–4).

The tenor of this argument in favour of fewer local councils in rural and remote areas was comparative and general. It drew, for its inspiration, on an Australia-wide local government reform agenda and on experience in States like Victoria, which had recently reduced its number of local councils from 210 to 78. However, there was another, quite contradictory tenor in the Northern Territory Minister's statement which referred to the 'unique cultural environment' of local government in the Northern Territory. This, of course, referred to the fact that the vast majority of these 62 councils in the Northern Territory's rural and remote areas were providing governance for predominantly Aboriginal communities. The Minister noted that the existing Northern Territory Local Government Act 'provides for the recognition of traditional Aboriginal decision-making structures' but that this recognition could be strengthened and 'assist in creating local authorities with legitimacy and credibility' (Braham 1999: 3–4).

The issue of the legitimacy of existing local government councils in the eyes of Aboriginal people was one which the Deputy Secretary of the Northern Territory Department of Local Government focused on in an address to the Australian Institute of Public Administration in September 1999. He argued that:

> many of the local governments now in place in the Territory are seen as lacking legitimacy by their Aboriginal constituents often apparently because the 'right' people are not making decisions (Coles 1999: 6).

He went on to argue that councils could become legitimate in the eyes of their Aboriginal constituents if they incorporated greater elements of Aboriginal culture, along with elements of 'western culture', into their structures. One suggestion was 'bi-cameralism', with one house of 'democratically elected representatives' empowered to make decisions on the 'delivery of services' and another of 'elders' deliberating and making decisions on matter such as 'land and cultural matters' (Coles 1999: 11).

These arguments supporting local government reform in the Northern Territory have a number of problems. One is the switching between comparative general and Northern Territory-specific forms of argument. If, as the latter form of argument suggests, the situation in the Northern Territory is unique within Australia, then this rather undermines and detracts from the former form of argument. Another problem is the claim that existing local governments lack legitimacy in the eyes of Aboriginal people and that new local government structures, which incorporated greater elements of Aboriginal tradition and culture, would enjoy greater legitimacy. On the Minister's and the Deputy Secretary's own admission, past local government structures have already tried to incorporate elements of Aboriginal tradition and culture. So why should new efforts to do this fare any better, or any worse, than past efforts? A third problem with the specific suggestion of bi-cameralism is that it will inevitably be seen by the land councils as another attempt by the Northern Territory local government authorities to take over the functions of land councils and traditional owners; despite the Deputy Secretary's insistence that there is no 'particular value' in continuing the argument with the land councils (Coles 1999: 5).

Many Northern Territory remote Aboriginal communities already have a form of multi-cameralism or pluralism in their governance structures. This may include, for example, having Land Trusts of traditional owners supported by the land councils; royalty associations servicing traditional owners and other Aboriginal residents; and local councils representing residents working on a range of other matters in relation to numerous Commonwealth and Territory agencies (not to mention a range of other incorporated associations which deliver government type services). Why impose within one organisational structure a bi-cameralism, when there already exists a multi-cameralism by virtue of the presence in these communities of a number of parallel organisational structures?

There is also the problem that only about half the 62 local councils in rural and remote areas of the Northern Territory are community government councils incorporated under the Northern Territory Local Government Act. The others are 'association' councils incorporated under the Commonwealth ACAA or the general Northern Territory associations legislation. In relation to these, the Northern Territory Government would need to rely on persuasion and incentives to encourage them to incorporate under its proposed local government arrangements. These association councils could still decide to stay outside the Northern Territory Government's reformed local government arrangements and there would be little the Government could do. The reformed situation would be little different from the present, except to add yet another tier of local government.

To use Rowse's terminology, it seems that both Reeves's proposals for land rights reform in the Northern Territory and the Northern Territory Minister's proposals for local government reform are once again captivated by the idea of a unified local sovereignty being put in place in Aboriginal communities. Experience both in Australia in respect to the ALRA and the *Native Title Act 1993,* and overseas, is that governments prefer to deal with wider regional population groupings, not small-localised groups.

Solutions based on creating radically altered or new institutions are a constant feature of the Aboriginal affairs landscape. However, such solutions are often simplistic and naive. Reeves's simplistic approach to reform of the ALRA and its related financial institutions, using a broad policy approach based on major

institutional restructuring, evidenced the most recent attempt. Specifically, he recommended more centralised financial institutional controls—the Northern Territory Aboriginal Council—over 18 newly established regional land councils that would, in turn, represent a wider constituency of regional Aboriginal interests than simply traditional owners.

Reeves's argument was that the institutional mechanisms for traditional owners to make decisions about their inalienable land ownership could be combined into a new institutional mechanism for making broader decisions about service delivery. However he failed to recognise that very different constituencies, applying different criteria and objectives, should and do make decisions regarding matters such as land, health and education in Aboriginal communities.

The proposed local government reforms also fail to acknowledge that one of the principal problems of the community government scheme is that it assumed these organisations could undertake responsibility for a multiple range of service delivery functions. In most cases, experience has proved that these organisations simply do not have the capacity to undertake a wide range of functions at once, as evidenced by the continuing disproportionate expenditures on compliance costs of the current community government scheme by the Northern Territory Government.

Rather than being seduced by the simplicity of radical institutional reform and a unified sovereignty approach, it may be more useful to think in terms of incremental change and the benefits of a 'dispersed governance' approach.

The benefits of 'dispersed self-governance'

What are the benefits of dispersed self-governance for remote Aboriginal communities, as we see them?

First and foremost is an ability for different interests within these communities to make their voices heard and their presence felt. All too often it is assumed that remote Aboriginal communities have a unity of interests, which is best represented by a unity of local organisation.

A better starting point, however, may be to posit a diversity of local interests—with differences between young and old, men and women, land owners and non-land owners, drinkers and non-drinkers, people of different families or clans, those who want greater engagement with the external non-Aboriginal economy and society and those who are inclined to focus more of their time and attention on traditional Aboriginal activities.

Once such a diversity of interests is recognised within remote Aboriginal communities, the seductiveness of the unified local sovereignty approach starts to be exposed and the attractiveness of a dispersed governance model becomes more obvious. Different interests can be accommodated within local councils, but community members can also turn to different local organisations, such as Land Trusts, women's organisations, or outstation resource agencies, if they feel their interests are not being well represented within a particular council. This, of course, would be impossible under a strictly unified local sovereignty.

Alternatively, it might be suggested that the desire to be heard by those who feel suppressed would soon lead to the breakdown of a strictly unified local sovereignty, even if it were somehow to be instituted. Conversely, when diverse interests are not equitably accommodated, their members can become marginalised and withdraw their voice from active involvement in local affairs. Some degree of dispersed governance becomes, therefore, not only desirable but also virtually inevitable, wherever there is a diversity of local interests. The fundamental challenge is, however, to ensure *equitable* representation of, and access by, diverse interests

within such arrangements in such a way that militates against systemic corruption or the misapplication of funds.

Martin and Finlayson (1996) have identified two models of response most commonly adopted in addressing this issue. The first and most common bureaucratically adopted solution is to develop greater scrutiny of administrative processes involving financial and other related accountability measures. This effectively describes the current disproportionate and primary focus of Northern Territory local government field officers. The second model seeks to appreciate the cultural logic of both parties (i.e., bureaucracies and Aboriginal peoples) and to structure arrangements that strike the appropriate balance and maintain the necessary safeguards in terms of ensuring both internal (Aboriginal) and external (supra-ordinate) accountability.

The 'Harvard Project on American Indian Economic Development' has, over a 14-year period, systematically examined the conditions of successful self-determined economic development of American Indian Reservations in 48 States in the United States of America. The results of this work have identified comparative criteria to assess the preconditions for effective self-governance. These include identifying why some communities are comparatively more successful in running their own affairs, delivering effective services and engaging in economic activities. The study found that one of the key factors that applied in communities who have achieved sustained economic success is the operation of effective governing institutions, which are critical determinants of development outcomes. The study concluded that the chances of sustainable development rise when communities put in place effective non-politicised dispute resolution mechanisms, shut down opportunistic rent seeking by politicians and build capable bureaucracies (Cornell et al. 2000). This work has been used to develop some criteria by which effectiveness may be measured and explained using both quantitative and qualitative measures.

On the issue of scale and the ability to recruit and retain competent ethical staff, as the Northern Territory Local Government Minister put it, the dispersed governance model is probably no worse than the unified local sovereignty model. Whilst scale and staff numbers in these communities vary considerably, even with reform, they would still be very small organisations.

Perhaps what is of greater significance than whether there are one or several local organisations or a single local council covering one or several locations, is whether these organisations are tied in to larger service delivery structures outside the local area, and whether the respective roles and responsibilities of this overlapping network of organisations are sufficiently clear. Linking with larger organisational structures outside the community can potentially provide professional support and scope for advancement, and shared expertise and supervision. It is for this reason that we advocate the development of regional *function-specific* service agencies to complement and work with local councils, rather than simply making small local councils slightly bigger; either by making them multi-locational or by combining different local organisations in one location.

Regional function-specific agencies in areas such as health, housing, accountancy and financial services, employment recruitment or infrastructure could arguably have a scale and ability to develop professional and systems expertise which can never be the case in small multi-purpose local organisations. It is also apparent that those Aboriginal organisations that have been most successful in securing sustainable improvements in service delivery for their members have been specific and specialist in focus and not required to assume a number of unrelated functions. Successful organisations include, for example, Aboriginal Hostels Pty Ltd (delivering hostel care and accommodation), the Arnhem Land Progress Association (community store management and training), the Traditional Credit Union (banking and finance services), Nganampa Health (medical services) and the Centre for Appropriate Technology, which all fulfil specialist functions.

Also, multi-location local councils (which larger councils in the rural and remote areas of the Northern Territory would inevitably become as flagged under the Northern Territory Government's proposed reforms), would introduce unnecessary complications regarding the division of resources and coordination between locations. It was instructive that the one existing multi-location community government council in Central Australia, Anmatjere Community Government Council, was not regarded by the current local governments reform proponents as a great past success or as a model of what the current reform proposals might lead to. Anmatjere Community Government Council has clearly been troubled by issues of multi-locational resource sharing and unnecessary coordination to such an extent that some within it want to develop their own single-location local organisation.

While there is clearly room in the Northern Territory for multi-locational, specific-purpose service agencies, such as numerous outstation resource agencies operating across a single region, our general view would be that it is *better to encourage local councils/organisations to be complemented by, and linked to, larger specific-purpose regional service agencies.* In the remainder of this paper we explore further this particular model of what we call 'regionally constructed dispersed governance' by examining a number of regional service delivery arrangements of this type which already exist, albeit in embryonic form.

Emerging trends in regional service delivery

The future of ATSIC, land councils, local governments and Aboriginal organisations are being influenced by the same array of forces that are shaping and re-shaping the institutional structures and processes of government: community demand for improved and measurable outcomes; for coordinated service delivery; government demand for lower costs and accrual-based financial management; outsourcing and competitive tendering; the transition from providing to purchasing services; and the inevitability of continuing economic reform. All are having an impact on the policy environment in Aboriginal affairs. These are resulting in reforms leading to the development of 'purchaser-provider', 'best practice', 'mutual obligation' and 'regional jurisdiction' models in service delivery.

Similarly, changes to Commonwealth-State inter-governmental funding arrangements and the moves towards embracing purchaser-provider models will result in the debate shifting back on to the performance of State and Territory Governments and outsourced tenderers for delivering specified services. These developments will also strengthen the recognition that mainstream programs matter most in terms of the funding quantum available to address continuing Aboriginal disadvantage.

The Commonwealth's recently issued discussion paper titled 'The challenge of welfare dependence in the 21st Century' and the concurrent commissioning of a reference group to report on welfare reform also reflect the determination of the current government to pursue further reforms. These forces include inevitable changes to the role and structure of ATSIC, and a potentially enhanced role for the CGC in identifying relative Aboriginal needs.

As a result of these changes there are a number of strategic opportunities emerging that offer remote Aboriginal communities and their organisations options to develop enhanced self-governance through adopting improved regional-based models of service delivery. These emerging trends also provide the potential basis to clarify the respective roles of ATSIC, Aboriginal organisations, the Northern Territory land councils, the Commonwealth and Northern Territory Governments, and local government; and develop more collaborative approaches between key stakeholders.

Complexities of inter-governmental fiscal arrangements

There are very complex funding arrangements that govern service delivery to remote Aboriginal communities. These are reflected in the sheer number of agencies; the overlapping Commonwealth, State and Territory fiscal arrangements; the division of roles and responsibilities between ATSIC and the Northern Territory Government; and the role and structures of local governance. These all serve to muddy the waters in developing agreed objectives and identifying lines of accountability in service delivery and have been commented on at length in numerous academic and government reports.

Problems in improving the coordination and accountability of service delivery have been further compounded by a lack of reliable administrative data, and a lack of procedures for assessing the effectiveness of mainstream government programs in meeting Aboriginal needs. With the exception of some important data now emerging through the annual review of Commonwealth-State service provision by the Productivity Commission, there are few reliable figures on Aboriginal people's access to mainstream programs and services. A recent exception is the independent evaluation of Aboriginal education in the Northern Territory undertaken by Bob Collins (the 'Collins Review') which identified systemic failures in the delivery of education, misuse of Commonwealth funds by the Northern Territory Government and the levying of high administrative costs (Northern Territory Department of Education 1999).

The current plethora of funding arrangements in relation to Aboriginal service delivery is starkly highlighted at the remote community level where funding arrangements are complex and provided through numerous independent sources. These sources are difficult to trace, thus accentuating the fragmentation of service delivery, significantly hindering coordinated community development and financial accountability.

Bilateral agreements in housing, infrastructure and health have attempted to address some of these issues. Whilst drawing criticism from time to time, these forms of agreements, developed under the umbrella of the *National Commitment to Improved Outcomes in the Delivery of Services to Aboriginal Peoples*, negotiated through the Council of Australia Governments in 1992, remain the most effective current instrument for defining inter-governmental roles and financial responsibilities.

The functional areas under these arrangements where there has been most obvious progress to date, has been in relation to Aboriginal health, and housing and infrastructure. In respect to Aboriginal health, Framework Agreements have been signed in all States and Territories between the respective State and Territory governments, State affiliates of the National Aboriginal Community Controlled Health Organisation, ATSIC and the Federal Minister for Health and Family Services. Under the Framework Agreements, regional planning processes have been established for improving access to health services, Aboriginal participation in decision making and priority determination, and the collection of improved data.

In the Northern Territory, the establishment of the Aboriginal Medical Services Alliance Northern Territory in 1994 as a peak body and forum for Aboriginal Medical Services, and its recognition under the Northern Territory Framework Agreement completed in 1997, have led to the establishment of processes that facilitate joint planning in the funding and coordination of Aboriginal heath services. The Framework Agreement is due for its initial three-year evaluation and renegotiation this year.

In respect to Aboriginal housing in the Northern Territory, an agreement was signed by the Northern Territory and Commonwealth ministers for housing and the chairperson of ATSIC in 1995. This was the first specific agreement developed under

the umbrella of the *National Commitment to Improved Outcomes in the Delivery of Services to Aboriginal Peoples* and it has led to some significant changes in program structures and delivery arrangements during the five years of its existence

Aboriginal housing agreement

Over the last 25 years, there have been four housing programs originating at the Commonwealth level of government which have provided housing specifically for Indigenous Australians, a home loans program, a hostel program, a community housing organisations grants program and State/Territory grants program (see Sanders 1990). In the Northern Territory, the State/Territory grants programs was used by the Northern Territory Government during the 1980s and early 1990s to provide grants to Aboriginal community housing organisations outside the major urban areas, with Aboriginal people in the major urban areas being eligible for Northern Territory Government public rental housing on the same basis and through the same programs as non-Indigenous Territory residents.

This was somewhat different from what had occurred in the States, where the State/Territory grants program, known as the Aboriginal Rental Housing Program (ARHP), had been initially devoted to creating an Indigenous-specific public rental housing stock. This use of the ARHP in the Northern Territory created a very clear overlap with the community housing organisations grants program, which from 1990 was run by the Commonwealth-created ATSIC and known as the Community Housing and Infrastructure Program (CHIP). CHIP also directed most of its resources to Aboriginal communities outside the major urban areas through Aboriginal community housing organisations.

This clear overlap of the uses of CHIP and ARHP funds in the Northern Territory provided fertile ground for the first agreement to be reached under the 1992 *National Commitment to Improved Outcomes in the Delivery of Services to Aboriginal Peoples.* The 1995 agreement stated that the Commonwealth, the Northern Territory Government and ATSIC would pool these Indigenous housing program funds and expend them together through a new collaborative organisation called the Indigenous Housing Authority of the Northern Territory (IHANT). The IHANT would be comprised of the seven elected ATSIC regional council chairs for the Northern Territory plus the two elected ATSIC commissioners and a representative appointed by the Commonwealth Minister, probably from the Commonwealth housing administration. The Northern Territory Government would contribute up to seven ministerial nominees to the authority and also a Program Manager for the pooled funds from its Department of Housing and Local Government. The seven Northern Territory nominees were, as anticipated, administrators in other relevant Northern Territory Government organisations. So the new Authority emerged as a rather unique combination of elected Indigenous representatives and both Commonwealth and Northern Territory Government officials involved in housing and infrastructure issues.

The 1995 agreement also required the new Authority to develop a five-year strategic plan with the dual objectives of allocating housing on the basis of need and maximising the quantity and quality of the housing stock, together with a three-year rolling operational plan. These planning processes and the deliberations of this rather unique new Authority introduced a new order and clarity to housing and infrastructure allocations for Aboriginal communities across the Northern Territory. Though there was still a bidding process and cause for argument, there was a much clearer, unified and coordinated framework within which this could occur. Indigenous representatives from the ATSIC elected arm were directly involved and could report back to their constituents. Housing and infrastructure provision in these communities was clearly better coordinated.

Issues of housing management over time could also be raised in the IHANT processes in ways that were integrated with housing and infrastructure capital provision. Progress on rent collection and housing maintenance issues in the Indigenous community housing sector have been greater under this collaborative regime than in previous years, though there is still considerable ground to cover. Rent collection has been linked to a $1,700 per annum per house grant for maintenance and to eligibility for further capital grants. However, rent collection is only the first step towards ongoing asset management, which also requires work teams with skills to carry out maintenance and other asset management work. Also questions have been raised about the appropriateness of requiring the same level of rent collection for all houses in all locations. In the Anmatjere case, one of the unnecessary multi-locational resource coordination issues arose from some communities wanting to collect rent, receive the $1,700 maintenance grant and be eligible for further capital grants, while others were not. This was difficult for IHANT to cope with, since the Anmatjere communities were legally all part of one organisation. Separate community organisations for each restricted locality may well have helped resolve this dilemma.

A recent review of IHANT has led to some changes. One of these is regionalisation into centre and top end divisions, rather than a Territory-wide approach. This emerging regional IHANT is, to our minds, the sort of more collaborative approach to service delivery and governance for Aboriginal communities in the Northern Territory that needs to be further developed. It is consciously limited in its functional scope, so it does not try to do too much by spreading itself too thinly across functional areas. But its also draws in relevant stakeholders in a collaborative, non-adversarial way. More could be done with IHANT, such as the inclusion of ATSIC's National Aboriginal Health Strategy funding for the Northern Territory into the funding pool, since despite its name this too is essentially a housing and infrastructure program which ATSIC has held back. However, the current IHANT approach is certainly a move in what we regard as the right direction of collaborative regionalism.

These emerging arrangements in housing and infrastructure are in stark contrast to the reform efforts in the areas of local government and land rights discussed above, which have tended to continue the adversarial political culture of the 1980s and early 1990s. Collaborative approaches require some putting aside of this adversarial political culture, while also being modest in their functional range.

Emerging models in Aboriginal primary health care— Coordinated Care Trials

Another of the more innovative emerging models of governance and service delivery occurring in the Northern Territory, are Coordinated Care Trials being jointly funded under the auspices of the Northern Territory and Commonwealth Governments. In particular, the trial being delivered to both Aboriginal and non-Aboriginal communities through the Katherine West Remote Health Board Aboriginal Corporation (incorporated under the Commonwealth ACAA) is particularly instructive.

In 1996, the Commonwealth, State and Territory Governments announced the establishment of a total of 13 Coordinated Care Trials across Australia, of which four were focused on Aboriginal communities. Coordinated Care Trials are designed to test whether coordination of health care of people with multiple service needs (where care is accessed through individual care plans, and funds pooled from existing Commonwealth, State, Territory and joint programs) will result in improved individual client health and wellbeing.

In the Northern Territory, two trials are being undertaken—one on the Tiwi Islands and the other located in the Katherine West region. Both these trials were recently further extended as a result of the 1999–2000 budget. The Tiwi and Katherine West trials incorporate several features that make them distinct from other non-Aboriginal trials.

Firstly, responsibility for allocating health resources within the respective regions has shifted from the government-operated Territory Health Services to Regional Health Boards. The Tiwi Health Board has responsibility for Bathurst and Melville Islands. The Katherine West Remote Health Board Aboriginal Corporation (KWHB) covers a large remote area stretching westward from Katherine to the West Australian border. KWHB comprises representatives of Aboriginal communities in the area, including Lajamanu, Kalkaringi, Dagaragu, Yarralin, Pigeon Hole, Bulla and Amanbidgi. It also has an advisory committee to the board comprising non-Aboriginal representatives from the Northern Territory Cattlemen's Association and the Timber Creek Community Government Council.

Funds that would have been normally allocated to the provision of health services in the respective regions by the Northern Territory Government have been 'pooled' and provided to the health boards which may, subject to agreed conditions, allocate these monies consistent with the board's own priorities.

The second characteristic is that both boards receive additional funds from the Health Insurance Commission in the form of Medical Benefit Scheme/Pharmaceutical Benefit Scheme (MBS/PBS) cashouts. Residents of remote Aboriginal communities rarely receive rebates through either MBS or PBS, for the simple fact that that there are very few doctors or pharmacists to generate such rebates and Aboriginal people by and large do not utilise Medicare cards. This has, in turn, contributed to Aboriginal utilisation of the Medicare Benefits Scheme running at only one-quarter of the rate compared to that of other Australians, notwithstanding their health needs are approximately three times higher (Deeble et al. 1998).

This is a major source of inequity in the present health system of remote area health care, when compared to funds and services available to the rest of the community. For the purposes of the Aboriginal trials, the Commonwealth has agreed to fund a per capita amount (additional to the normal Northern Territory Government funding allocation) based on 'the estimated' average MBS/PBS rebate paid to citizens paid throughout Australia, amounting to approximately $536 per person per year.

A third characteristic is that the Aboriginal trials are designed to deliver services on a 'whole of population basis', rather than serving the health needs of an identified sub-set of the community, as applies in the non-Aboriginal trials. The rationale behind this approach is to secure a greater emphasis on preventative, population-based measures than has been possible in the past.

Finally, the trials incorporate the principles of 'care coordination'. Prior to the commencement of the trials, Territory Health Services facilitated the adoption of a number of best-practice protocols for management of chronic diseases and the development of a new computer-based client record system.

The critical attraction of this scheme in respect to Aboriginal communities is that participating communities are 'cashed out' with an additional payment calculated on gaining normal access to, and equivalent usage of, both the MBS and PBS. In Katherine West alone this represented a net increase of $1.5 million per annum. Data on the effectiveness of these trials awaits the public release of independent evaluations due later this year.

Nevertheless, based on discussions with the manager of the KWHB and other available data on coordinated health trials more generally, the operations of the Katherine West Coordinated Care Trial are particularly instructive as a potential

model of service delivery for application in other remote jurisdictions. Of considerable relevance is the changed role of the KWHB, from originally being a purchaser of health services provided by Territory Health Services, to now itself becoming a direct provider of services through health centres located in five Aboriginal communities. This has created significant problems for KWHB that were not envisaged in the original planning for the trial, and present a number of lessons for governance structures and service delivery.

In moving to establish the KWHB, the board adopted a carefully planned and strategic approach towards building constructive links with other 'community' stakeholders across the region including:

- establishing an elected governing board with numbers of members selected under a per capita formula from individual communities;
- investing heavily in educating Board members to effectively carry out their representative functions (including utilising innovative reporting systems designed for people with low literacy levels);
- initiating dialogue with the Northern and Central Land Councils with a view to securing leases from relevant Land Trusts for KWHB operations;
- securing Memoranda Of Understanding with local community councils to ensure regular communication and clarify respective roles and responsibilities;
- establishing health committees in individual communities that focus solely on health issues; and
- carrying out extensive consultation with non-Aboriginal residents of the region living on pastoral properties and small townships, leading to the establishment of a consultative sub-committee representing the Cattlemen's Association and 'town residents' and agreement of non-Aboriginal residents to participate in the trial.

Improvements reported by KWHB in the level of delivery of health services since the commencement of the trial include:

- significant increases in the level of staffing of community health centres (including Aboriginal Health Workers);
- improved provision of mobile primary care services to Aboriginal and non-Aboriginal pastoral properties and outstations;
- a doubling of primary care doctor visits to communities;
- for the first time, locating resident general practitioners in Aboriginal communities;
- establishment of women's and aged care programs; and
- increased delivery of dental and specialist services.

Lessons learned from Coordinated Care trials

The basic proposition underpinning the Katherine West Coordinated Care Trial is that community control (in the form of health boards), with fund pooling and the MBS/PBS cashouts, together with care coordination, can lead to improved health services and indirectly to improved health outcomes. Despite the above reported improvements in service delivery, a number of significant issues have emerged. These require careful consideration by Aboriginal organisations contemplating participation in future trials (the Commonwealth has allocated monies for the expansion of the scheme to other regions in the 1999–2000 financial year).

Because of perceived difficulties with the adequacy of the delivery of health services purchased by the KWHB from Territory Health Services, the KWHB has itself assumed direct responsibility for the delivery of primary health care services in

a number of community health centres, thus moving from being a purchaser to a direct provider of health services. These problems reputedly revolved around the difficulties faced by Territory Health Services in maintaining adequate staffing of remote community health centres, the resultant difficulties in maintaining continuity in service delivery, training and essential records management and the high levels of administrative or 'on-costs' charges levied by the Northern Territory Government (52% 'on-costs' per purchased position).

As a result of this change, KWHB has assumed significant recruitment and ongoing management functions. It has also inherited a historically determined baseline Territory Health Services funding formula that may not reflect the level of actual needs faced in the region, a transfer of individual position funding minus the 'on-costs' component, plus costs such as an arbitrary surcharge of 25 per cent on supplies provided to Community Health Centres by Territory Health Services. This has already led to the KWHB experiencing a shortfall in Territory Health Services funding in operating the community health centres. This has, in turn, led to the board dipping into the MBS/PBS 'cash out' monies to meet the difference. This development is completely at odds with the original objective of these new funds, which was to allocate them to new initiatives.

The KWHB has also expressed concern that their assumption of direct responsibility for delivering services should not be read as one that leads to a Territory Health Services 'withdrawal from the region's health delivery landscape'. It argues for the continuing and critical 'safety net' role of Northern Territory Health Services in the delivery of services in a number of critical areas (KWHB 1999).

The other major concern arises from a consideration of the current model for cashing out MBS/PBS funds on a capped per capita basis, based on an average usage by all Australians with average health status. Unresolved issues emerge here on two accounts. Firstly, the MBS/PBS equivalent is effectively capped in this instance by reference to a per capita usage figure, when MBS/PBS usage by the rest of the population is not capped. Secondly when the chronic health status of Aboriginal people in the Katherine West region is taken into account, it becomes self evident that applying Australian averages to the current per capita adjustment without incorporating morbidity and remoteness multipliers is both inequitable and potentially discriminatory. Estimates of the burden of disease might provide a more appropriate measure.

This is also contrary to the basis on which the Northern Territory Government itself receives Financial Assistance Grants from the Commonwealth. This is largely determined by relativity adjustments that recognise the increased costs associated with delivering health and other services to Aboriginal Territorians. This critical issue was also identified in the recent Collins Review of Aboriginal education in the Northern Territory, which highlights the problems that arise when common funding formulas applied for service delivery in remote areas fail to take into account differing levels of need and service provision costs in Aboriginal communities (Northern Territory Department of Education 1999).

When considered against a backdrop of projections that anticipate a 20 per cent rise in general hospital admissions for Northern Territory Aboriginal people by 2006 (KWHB 1999), and while the incidence of end-stage renal disease is doubling every four years in the Top End (KWHB 1999), the case for focusing on improving community-based care services is compelling on economic grounds alone.

There are therefore serious, and at this point of time, unresolved funding issues that Aboriginal organisations should be aware of and carefully negotiate before participating in any future trials. An emerging lesson in respect of the KWHB is to ensure that funding arrangements are carefully negotiated beforehand, or that specific clauses are included in any agreement to renegotiate funding arrangements within a specified period. This is an essential safeguard, particularly where the

sponsoring organisation may contemplate moving from being a purchaser to a provider of services.

Notwithstanding these issues, the Coordinated Care Trials have highlighted the inequitable position faced by most remote Aboriginal communities when their access to funded health services is compared to that of the rest of the population. More positively, however, these trials have provided a significant opportunity for Aboriginal communities to assume community control of health services and, at the same time, demonstrate that they may be better placed to service non-Aboriginal health servicing needs than the usual government provider. In moving to successfully establish the KWHB a number of critical steps were undertaken that should be relevant considerations for other regionally-based organisations in delivering services to Aboriginal communities in remote areas. These include:

- a sustained period (six months) of intensive consultation and negotiation with all affected communities and key stakeholders before the establishment of KWHB;

- adoption of a multi-pronged strategy in maintaining ongoing communication with all stakeholders, backed up where relevant by formal agreement (regional service delivery agreements) which clarify respective roles and responsibilities between KWHB and other organisations such as land councils and community councils;

- a strong emphasis on the establishment and support (including training) of the governing Board;

- a recognition that Aboriginal-controlled health services established in small individual communities outside major urban centres in the Northern Territory are no longer viable as entirely autonomous, stand alone agencies. Rather they should be operated at the local level under the umbrella of a regional organisation, with an ability to purchase and provide services for Aboriginal and non-Aboriginal residents;

- that funding arrangements need to be carefully negotiated with governments from the outset with the inclusion of specific safeguards in agreements to ensure that funding issues are able to be periodically reviewed and renegotiated; and

- that proposals to participate in Coordinated Care Trials should take careful note of the experience of other trials involving Aboriginal communities. In particular, care should be taken to balance the advantages and disadvantages of adopting an approach of becoming a direct service provider as opposed to being a purchaser-provider under such a trial.

New mechanisms for agreement-making

More effective delivery of services to Northern Territory Aboriginal people will not be achieved merely through the creation of more institutional *structures* or by transforming land councils or local governments into regional service delivery organisations. Arguably, improved outcomes will be achieved through the creation of enhanced *processes* for the institutional coordination of service delivery at all levels, which critically link *local* to *regional* structures, and by a more holistic approach to how the regionalisation reform agenda will be enacted by all levels of government and by Aboriginal organisations themselves.

The negotiation of Regional Service Delivery Agreements provides a potential mechanism for helping to ensure the enhancement of the *processes* referred to above (Smith 1998). Such agreements could be developed for specified geographic areas to address the delivery of any specific set of services, and subject to any conditions. Such regional agreements could be used to:

- clearly define mutual organisational roles and obligations for the range of services required by an Aboriginal population;

- outline respective funding sources and responsibilities;
- develop purchaser provider arrangements; as well as
- establish agreed, comprehensive, performance indicators and outcomes.

The critical advantages of Regional Service Delivery Agreements are many. For example, over the longer term such service agreements could also be used to:

- beneficially define the respective rights and interests of traditional owners and other Aboriginal residents of a region;
- set down the practical exercise of those rights and interests in respect to service delivery;
- establish component 'community agreements' about any land use and management matters relevant to the more effective delivery of services which can be progressively built upon; and
- contain agreements about land access, land use and rental issues within communities; the operation of the permit system; service delivery benchmarks; and the reciprocal rights and obligations of residents and traditional owners entailed by the receipt of services (Smith 1998).

The development of Regional Service Delivery Agreements would be likely to:

- lead to more productive and practical partnerships between Aboriginal people, the Northern Territory Government and local governments, land councils, ATSIC and regionally based service delivery organisations and therefore move away from the adversarial relationships to date;
- protect the inalienable rights and interests of traditional owners under the ALRA;
- overcome the duplication and lack of co-ordination of service delivery;
- facilitate contestability and the meeting of mutual obligations in service delivery;
- facilitate progressive implementation which can be more easily monitored;
- deliver more effective outcomes for regional Aboriginal populations; and
- encourage greater cost effectiveness and minimisation through cost-sharing and reduced duplication.

ATSIC could consider moving incrementally in this direction by letting contracts for specific functional areas of service delivery. These contracts would incorporate contractual selection criteria reflecting the adoption by tenderers of the enhanced processes of agreement making referred to above.

This would encourage currently disparate communities to collaborate not only in the negotiation of Regional Service Delivery Agreements, but also in the development or enhancement of existing regional functionally-specific service organisations to jointly service their needs. These regionally based organisations could deliver services that are currently subject to unnecessary duplication in administrative costs (e.g. accountancy) or where individual communities lack the economies of scale to secure and service contracts (e.g. road construction and maintenance).

These reforms could also open up opportunities for more strategic application of the Community Development Employment Projects (CDEP) scheme in securing public and private contracts by pooling labour and combining resources at the regional level in the purchase of necessary capital equipment. These reforms could lead, for example, to regional Aboriginal organisations striking agreements with governments, community councils and land councils to coordinate the provision and/or deliver services on behalf of governments and their agencies to regional Aboriginal populations. Aboriginal organisations (such as regional health services, etc.) could also join forces, via formal agreements, to deliver services on a regional basis and achieve economies of scale by reducing administrative costs.

What are the major lessons?

So what are the major lessons that can be learnt from the historical development of Aboriginal self-governing structures and service delivery in the Northern Territory over the past 30 years?

In summary

- The historical emergence of adversarial relationships between Aboriginal interests and the Northern Territory Government over governance and service delivery issues are counterproductive, and need to be overcome and replaced by more collaborative approaches if real progress is to be made. This will require, in the first instance, the development of a more strategic and collaborative approach between Indigenous organisations themselves in securing effective and sustainable control over service delivery. If this does not occur, significant and emerging opportunities to advance the more effective delivery of services to, and governance by, Aboriginal people potentially are lost.

- Reforms towards establishing regional or amalgamated jurisdictions of service delivery need to balanced by a recognition that in remote Aboriginal communities many services must still be addressed at the local level and require the maintenance of appropriate and viable structures. One of the principal problems of the community government scheme is that it assumed these organisations could undertake responsibility for a multiple range of service delivery functions. In most cases, experience has proved that these organisations simply do not have the capacity to undertake a wide range of functions. It is therefore preferable to encourage local councils/organisations to be complemented by, and linked to, larger specific-purpose regional service agencies (not merely replaced). Another critical consideration is that any reforms in local government structures should aim to ensure the resultant structures have more clearly defined, specialist functions. These should aim to complement rather than duplicate those of other existing Indigenous organisations such as the land councils. This is best described as a *regionally dispersed governance* model which involves the development of regional *function-specific* service agencies to complement and work with local councils, rather than simply making small local councils slightly bigger, or by making them multi-locational.

- Whilst governments have been preoccupied with the issue of external accountability there has been almost a complete absence of focus on developing mechanisms or criteria in respect to assessing levels of internal accountability; except for financial matters. Nor has the comparative performance between Indigenous institutions in improving the wellbeing of their constituents been actively pursued with a view to assessing why some Indigenous structures work better than others in delivering real and sustainable outcomes for their constituents.

- There is clearly a need for a more systematic examination focusing on the comparative effectiveness of Indigenous self-governance models in Australia, not only to focus on issues of internal accountability, but to examine the reasons some communities are more successful in running their affairs than others.

- The emphasis on the development and resourcing of Aboriginal-specific programs is shifting to recognition that mainstream programs are also critical (e.g. the Medicare and Pharmaceutical Benefit schemes) in accessing the funding quantum necessary to properly address Aboriginal needs in remote communities. Even where this is already occurring, the new funding arrangements (whilst arguably a vast improvement on those that applied previously) are highlighting the chronic inequities that apply to the funding of services to remote Aboriginal communities, when compared to the rest of the community.

- The emergence of outsourcing, user pays/purchaser provider and best-value models in delivering services offer significant opportunities for remote Aboriginal

communities to gain access to, and control over, the delivery of services critical to their wellbeing. However these opportunities will be lost unless they are strategically negotiated and appropriate regional structures put in place to support efficient and effective service delivery.

- The incremental negotiation of Regional Service Delivery Agreements provides a potential mechanism to establish enhanced *processes* for the institutional coordination of service delivery at all levels, and to link local to regional structures.

- Questions surrounding the relative merits of Indigenous organisations incorporating under Commonwealth or Northern Territory legislation should be determined by rational assessments of the advantages and disadvantages of both.

What then is the outlook for the future?

Demographic and socioeconomic data for Central Australia drawn from the 1996 Census confirms that reforms of local government and service delivery are occurring in the context of an underlying demographic trend that could see the socioeconomic status of Aboriginal Australians in Central Australia deteriorate. This is primarily due to population growth, but also because of the enormous difficulties of economic catch-up in a rapidly changing and globalising world economy and because of local and historical infrastructure shortfalls. For example, decline in the ratio of mean income for rural-based Indigenous people in the Northern Territory compared to those in urban areas is largely due to their reliance on welfare equivalent income generated from the CDEP scheme. Overall, while Indigenous people in urban areas such as Alice Springs have incomes around half that of non-Indigenous town residents, Indigenous people resident in remote communities outside the town are even more starkly disadvantaged compared to those in urban areas.

This economic disadvantage is reflected in the fact that the unemployment level among Indigenous Territorians has worsened relatively and now stands at three times the level recorded for non-Indigenous adults in the Northern Territory. As a direct consequence, Indigenous welfare reliance in the ATSIC regions of Aputula and Alice Springs is far higher, at 64 per cent of the population, than that for the non-Indigenous population of the Northern Territory which runs at 8 per cent. The analyses over a ten-year period between 1986 and 1996 (Taylor and Roach 1998) strongly suggest the continuing and substantial deterioration in income and employment levels on remote Indigenous communities, and the need for continued government subvention by way of welfare transfers and labour market programs.

The net effect may be that despite the current and proposed structural reforms, the economic marginalisation of remote Aboriginal communities will be exacerbated unless their needs are specifically recognised under the future arrangements that will determine more effective levels of service delivery and self-governance. There are a wide-ranging series of proposals either under consideration or already in the public arena involving reforms to self-governance structures that deliver services to Aboriginal people in the Northern Territory. Critical to all is a policy momentum towards institutional regionalisation and continuing reform in the delivery of services.

This paper suggests that enhanced service outcomes will be best achieved by adopting a model of 'regionally dispersed self-governance', which encourages the development of specialist regional service-delivery organisations which operate and work collaboratively with each other and with local community organisations. In particular, the momentum towards institutional regionalisation at different levels of government needs to be addressed on a holistic basis and considered concurrently, with a view to encouraging consistency of administrative boundaries, and the

establishment of durable and effective agreements that differentiate and allocate service roles and responsibilities.

The far preferable model for change is one which maintains a clearly defined separation of powers between the key Aboriginal structures engaged in land management and use on behalf of traditional owners, and those representing a wider regional constituency in terms of service delivery.

The mainstreaming policy approach to funding of services to Aboriginal Australians is now being more widely adopted by the Commonwealth Government. This is reflected in the growing trend to transfer Aboriginal-specific programs from ATSIC to mainstream agencies and for these programs to be delivered in conjunction with mainstream programs (e.g. health, housing and infrastructure). The parallel trend is also towards a greater emphasis on State and Territory responsibility for service delivery with less perceived interference by the Commonwealth (e.g. via more untied funds as a result of the Goods and Services Tax), and towards more regionally coherent jurisdictions for service delivery.

Outsourcing and user pays/purchaser provider models

Of equal or even more strategic importance to Aboriginal interests is the emphasis by all governments in adopting outsourcing and purchaser provider models as the primary means of delivering services. These changes are reflected through the Commonwealth's establishment of Centrelink and the contracting out of the delivery of employment services. Similarly, State and Territory governments are adopting similar approaches to the delivery of health and education services.

These reforms offer real opportunities, as well as real risks, in respect to Aboriginal service delivery. If they are not negotiated and implemented carefully, or are imposed arbitrarily, the results will be counter-productive. In the mainstream, momentum is clearly moving towards rationalising the number of government-funded service delivery organisations at the regional level, and implementing contestability through competitive tendering arrangements and 'best-value'.

The model being advocated here recognises the need for reform by placing a greater emphasis on the formalised negotiation and implementation of Regional Service Delivery Agreements and by developing a multi-tiered organisational structure at the local and regional levels. These agreements should reflect reforms in relation to best practice in service delivery and provide for mutual accountability.

Recommendations

The confluence of various reform agenda provides an opportunity to Aboriginal organisational interests to collaborate and map out an incremental agenda for reform to address the long-term socioeconomic disadvantage of Aboriginal peoples in the Northern Territory. However it also represents a challenge for Aboriginal organisations to work more strategically and collaboratively with each other, to enter into agreements about their respective roles and responsibilities, and to initiate research and analysis in developing required policy options. These could include the following:

- Aboriginal interests, through their representative organisations, initiating a process to develop a combined, planned and strategic engagement with the Northern Territory and Commonwealth Governments with the objective of securing long-term and sustainable control over the delivery of services;

- clarification of the respective roles and responsibilities between ATSIC, the land councils, and regionally-based Aboriginal service delivery organisations in co-ordinating, negotiating and delivering services, including possible options for entering into Regional Service Delivery Agreements;

- examination of reforms in service delivery including, for example, outsourcing, user pays and purchaser-provider models in the Northern Territory and the options for ensuring opportunities are maximised and any negative impacts are ameliorated;

- exploration of the potential for the development of alternative approaches to the reform of local government that reflect the local and regional needs and requirements of people in Central Australia;

- exploration of the potential for the development of more effective governance structures, on the basis of defined criteria, and within the framework of the regionally dispersed model proposed here;

- consideration be given to commissioning research aimed at systematically examining the reasons why some communities and their organisations are more successful in running their affairs than others and to develop criteria to measure and explain such effectiveness; and

- consideration of the forthcoming CGC inquiry into the relative needs of Indigenous Australians and its potential relevance to the Northern Territory.

ATSIC Alice Springs is well placed to facilitate work in these areas and to initially bring key Aboriginal stakeholders together to consider and address the above recommendations as a series of progressive steps.

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