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Views from the Top of the 'Quiet Revolution': Secretarial Perspectives on the New Arrangements in Indigenous Affairs

W. Gray & W.G. Sanders

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March 2006

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VIEWS FROM THE TOP OF THE 'QUIET REVOLUTION': SECRETARIAL PERSPECTIVES ON THE NEW ARRANGEMENTS IN INDIGENOUS AFFAIRS

W. GRAY & W.G. SANDERS

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ABBREVIATIONS AND ACRONYMS

AGs	Attorney General's Department
APS	Australian Public Service
ATSIC	Aboriginal and Torres Strait Islander Commission
ATSIS	Aboriginal and Torres Strait Islander Services
CAEPR	Centre for Aboriginal Economic Policy Research
CEO	Chief Executive Officer
CIU	Cabinet Implementation Unit
COAG	Council of Australian Governments
DAA	Department of Aboriginal Affairs
DEH	Department of Environment and Heritage
DEST	Department of Education, Science and Training
DEWR	Department of Employment and Workplace Relations
DEWRSB	Department of Employment, Workplace Relations and Small Business
DHA	Department of Health and Ageing
DIMIA	Department of Immigration and Multicultural and Indigenous Affairs
DoCITA	Department of Communications, Information Technology and the Arts
DoTaRS	Department of Transport and Regional Services
FaCS	Department of Family and Community Services
FaCSIA	Department of Families, Community Services and Indigenous Affairs
ICC	Indigenous Coordination Centre
NIC	National Indigenous Council
OIPC	Office of Indigenous Policy Coordination
RPA	Regional Partnership Agreement
SCAIA	Select Committee on the Administration of Indigenous Affairs
SCNS	Secretaries Committee on National Security
SGIA	Secretaries Group on Indigenous Affairs
SRA	Shared Responsibility Agreement

ABSTRACT

In the latter months of 2005 we interviewed 11 members of the Commonwealth Government's Secretaries Group on Indigenous Affairs about their experiences of the new arrangements in Indigenous affairs since July 2004. This paper reports on the findings from those interviews under 10 subheadings relating to various aspects of the new arrangements, ranging from the Ministerial Taskforce and the National Indigenous Council to Indigenous Coordination Centres and local and regional agreement making. In its latter sections the paper also offers some commentary and analysis. It argues that while the level of senior executive attention being given to Indigenous affairs across a broad range of Commonwealth portfolios is genuinely innovative, there are other aspects of the new arrangements that draw on and rework past experience and well-established ideas in Indigenous affairs. Taking a lead from one of the Secretaries, the paper attempts to move beyond the language of 'mainstreaming', to talk instead of some potential benefits of the involvement of line departments in Indigenous affairs and of the complex relationships between Indigenous-specific and general policy mechanisms. The paper notes a diversity of opinion among the Secretaries on a number of aspects of the new arrangements and argues that this is healthy. It concludes by noting that the way governments organise themselves was only one of two aspects of Minister Vanstone's claimed 'quiet revolution' in Indigenous affairs, and that whether the new arrangements work will ultimately depend on other things as well, such as relationships between government and Indigenous communities built over extended periods of time.

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INTRODUCTION

During 2004 and early 2005, the Howard Commonwealth Government put in place a number of new arrangements in Australian Indigenous affairs. It abolished the Aboriginal and Torres Strait Islander Commission (ATSIC), the centrepiece of Commonwealth Indigenous affairs administration and representation over the previous 15 years, and dispersed its former programmes and staff to mainstream government departments. It established a Ministerial Taskforce on Indigenous Affairs and a new advisory body of Indigenous people, the National Indigenous Council (NIC). Building on the former ATSIC regional and State/Territory offices, it established 29 regional offices of Commonwealth administrators involved in Indigenous affairs, called Indigenous Coordination Centres (ICCs). It asked public servants in these offices to work together across departments, with Indigenous communities and with State/Territory government departments to develop formal agreements which would guide a more whole-of-government and whole-of-community approach to both funding and service delivery. Finally, it significantly restructured a Commonwealth departmental secretaries group working on Indigenous matters.

In February 2005, in an address to the National Press Club, the Minister for Immigration and Multicultural and Indigenous Affairs, Amanda Vanstone, referred to these new arrangements as 'a quiet revolution in Indigenous affairs'. She identified two 'key aspects to this change': 'genuinely giving Indigenous Australians a voice' and 'realising that ... the way we organise ourselves as governments, has been a large part of the problem' (Vanstone 2005a: 2). To illustrate this second aspect the Minister asked her Press Club audience to imagine that they were living in a small, remote, Indigenous community. She continued:

> Over a couple of months you'd see a succession of bureaucrats from different departments, different governments and different places fly in to your community.
>
> They'd talk to the service associated with their department, they'd talk to the administrators, probably white administrators and maybe the council.
>
> For most in the community, the most they get from the passing parade is a smile, a wave and if they're really lucky, g'day how are you?
>
> They know—and we know—that these bureaucrats in the past haven't been talking to each other. The plain facts are that governments haven't asked them to. Because governments divide bureaucracies into boxes, we therefore divide up who will deal with the problems and aspirations of these communities. The result is different people being sent out at different times, to talk about different parts of a community's problems and different parts of their aspirations (Vanstone 2005a: 4).

The Minister went on to argue that 'we can do better, much better', through agreements that 'reflect a real partnership between the community and governments' and through a partnership in which 'everyone's view is heard and everyone's contribution is valued' (Vanstone 2005a: 4-5). She gave the example of a

community which was being offered housing by housing bureaucrats, but which saw its priority as a sealed road. Minister Vanstone continued:

> Under the new coordinated arrangements communities will deal with the Australian Government as a whole. It's our job to make our money and our policy skills address their needs. We have to understand that their priority is the road—and the road needs to be sealed.
>
> They won't be left to shop around either themselves or through intermediaries, amongst departments, cobbling together bits and pieces of solutions that fit bits and pieces of rigid guidelines.
>
> Under the new arrangements it's the job of governments to do the shopping around and the cobbling together in order to meet communities' priorities and needs. The road would be sealed (Vanstone 2005a: 6).

Such coordination, the Minister argued, was 'already underway' through the network of ICCs, 'through public servants from the key departments ... now out in the field, closer to the communities ... charged with the responsibility of making individual agreements with individual communities' (Vanstone 2005a: 6). Vanstone went on to tell her Press Club audience that change was also underway more centrally:

> Back here in Canberra, the mainstream agencies are not only charged with, but fully engaged in providing better outcomes for Indigenous Australians.
>
> The coordination that's happening in the ICCs in the communities is being mirrored back here in Canberra.
>
> It's not the old mainstreaming where separate departments may have fallen into a silo mentality. Through the Secretaries Group, which meets monthly, some of our best public servants are turning their minds to the issue (Vanstone 2005a: 7).

As two Canberra-based researchers with some past experience of Indigenous affairs, and with a current involvement in an Indigenous Community Governance Project, we thought it might be useful to talk to the members of this Secretaries Group about how they were experiencing the new arrangements in Indigenous affairs.[1] In mid-2005 we put the idea to the Secretary of the Department of Prime Minister and Cabinet, Dr Peter Shergold, who chairs the Secretaries Group on Indigenous Affairs (SGIA). He was supportive, and in August/September we met both with him, and very briefly with the Secretaries Group as a whole. In October we interviewed 10 other members of the SGIA individually, assuring them in the process that we would not be identifying them personally in our reporting of the research. In December we circulated a draft of this paper to our interviewees, asking if they thought we had misrepresented any factual material or if we had in any way breached their confidentiality. In the light of comments received on that draft, including another meeting with Peter Shergold in January 2006, we then finalised the paper. What follows is an account of Secretarial perspectives on the new arrangements in Indigenous affairs gleaned primarily from these meetings, interviews and comments, but also from public sources.

Events have, however, already moved on. On 24 January 2006, as part of a larger ministerial reshuffle, the Prime Minister announced that Senator Vanstone was to relinquish her Indigenous affairs responsibilities and become the Minister for Immigration and Multicultural Affairs. Responsibility for Indigenous affairs was to be placed in an expanded Department of Families, Community Services and Indigenous Affairs (FaCSIA) under its Minister, Mal Brough. In what follows we generally report on the new arrangements in Indigenous affairs as they existed at the time of our research, before this ministerial reshuffle. However we occasionally refer explicitly to the post-24 January 2006 arrangements in the revised text and at other times use footnotes to indicate salient slight changes in the new arrangements arising from the reshuffle.

We begin in the next section of the paper by giving a little more background to the new arrangements in Indigenous affairs developed during 2004 and early 2005. We then turn more explicitly to the findings of our interviews, reporting the comments of the Secretaries under a number of subheadings. In the fourth section of the paper we more explicitly develop some of our own analysis and commentary.

There are, of course, many other perspectives on the new arrangements in Indigenous affairs in addition to those of the Secretaries. Other elements of the Indigenous Community Governance Project are attempting, through localised case studies, to look at governance arrangements for Indigenous people from the ground up. There are also important middle-level views, from places like ICCs. But it does seem to us that there is some value in finding out and reflecting on how the new arrangements in Indigenous affairs are being experienced by some of Australia's most senior public servants. While views from the top of the new governance arrangements in Indigenous affairs are not the only ones, they are, nonetheless, instructive and important.

BACKGROUND

The new arrangements in Indigenous affairs can be seen as having several sources.[2] The most obvious, as already mentioned, is the demise of ATSIC, which underwent a major review from late 2002 to late 2003 (Hannaford, Huggins & Collins 2003). While that review was underway, ATSIC was relieved by its Minister of its ability to make 'individual funding decisions', on the grounds that Commissioners and other elected ATSIC members may face 'conflicts of interest' in making such decisions (Ruddock 2003). From April 2003, ATSIC's financial decisions were placed in the hands of a public service executive agency called Aboriginal and Torres Strait Islander Services (ATSIS). This significantly changed the grounds of the ATSIC review and perhaps prefigured what was to come. The review, when it reported in late 2003, suggested a restructuring of ATSIC towards more regional control and the reuniting of ATSIC and ATSIS with a 'legislated delineation of roles' between the elected and administrative arms (Hannaford, Huggins & Collins 2003). However, these ideas were not taken up by the Howard Government. In fact, it was in the context of announcing, on 15 April 2004, that legislation would be introduced forthwith to abolish ATSIC that the Prime Minister and his Minister for Immigration and Multicultural and Indigenous Affairs began to outline the new arrangements in Indigenous affairs.

> Our goals in relation to indigenous affairs are to improve the outcomes and opportunities and hopes of indigenous people in areas of health, education and employment. We believe very strongly that the experiment in separate representation, elected representation, for indigenous people has been a failure. We will not replace ATSIC with an alternative body. We will appoint a group of distinguished indigenous people to advise the Government on a purely advisory basis in relation to aboriginal affairs. Programmes will be mainstreamed, but arrangements will be established to ensure that there is a major policy role for the Minister for Indigenous Affairs. This will not result in less money for indigenous affairs. It will in fact result in more resources being focused on challenging areas of indigenous need (Howard & Vanstone 2004: 1).

As many readers will know, the proposed legislation to abolish ATSIC was referred to a Select Committee of the Senate, and was not finally passed until March 2005. However, this did not greatly stop the Howard Government pushing ahead, administratively, with the new arrangements in Indigenous affairs from the nominated preferred date of 1 July 2004. On 30 June 2004, Minister Vanstone announced that:

> More than $1b of former ATSIC/ATSIS programmes have been transferred to mainstream Australian Government agencies and some 1300 staff commence work in their new Departments as of tomorrow.
>
> No longer will governments persist with the ATSIC experiment that has achieved so little for Indigenous people. No longer will we see precious funds diverted and wasted on meaningless symbolic gestures or to indulge the personal whims of ATSIC Commissioners.
>
> Our new approach is based on accepting responsibility—by governments, as well as Indigenous communities themselves.
>
> We want more of the money to hit the ground. We are stripping away layers of bureaucracy to make sure that local families and communities have a real say in how money is spent.
>
> Mainstream departments will be required to accept responsibility for Indigenous services and will be held accountable for outcomes. In future they will work in a coordinated way so that the old programme silos of the past are broken down.
>
> We will also be placing these mainstream Departments closer to where the communities are. There are now 22 Indigenous Coordination Centres (ICCs) in rural and remote areas that will offer a whole-of-government response to issues identified by Indigenous communities. Improved coordination arrangements will also apply in metropolitan areas.
>
> There will be a much stronger focus on working constructively with state and territory government agencies and with local government. The newly established Office of Indigenous Policy and Coordination *(sic)* will have senior staff located in each capital city and in each ICC to oversight and implement the new coordinated arrangements (Vanstone 2004: 1).

Here we see Minister Vanstone not only pushing ahead, administratively, with the demise of ATSIC, but also outlining in some detail the new arrangements in Indigenous affairs.

Note, in the last paragraph quoted above, the emphasis on working with State and Territory government agencies, as well as mainstream Commonwealth agencies. This emphasis reflects a second source of the new arrangements in Indigenous affairs, a Council of Australian Governments (COAG) commitment dating from November 2000 to 'address indigenous disadvantage' through:

> ... an approach based on partnerships and shared responsibilities with indigenous communities, programme flexibility and coordination between government agencies, with a focus on local communities and outcomes (COAG 2000: 5).

By April 2002 this COAG commitment had been developed to a 'trial of a whole-of-governments cooperative approach in up to ten communities' the precise locations of which would be 'announced by mid 2002' (COAG 2002: 3). Perhaps not surprisingly given Australian federalism, this turned out, by 2003, to be eight trial sites, one in each State or Territory (see map, Appendix 1). Each trial site was to be overseen by a Secretary of a Commonwealth Government department and these Secretaries would meet together once a month under the chairmanship of the Secretary of the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) to monitor progress. Here then, were the origins of the SGIA, though after July 2004 it would be chaired by the Secretary of the Department of Prime Minister and Cabinet and have two new members.

Beside the DIMIA Secretary as chair, the other members of the SGIA before July 2004 were from the departments of Education, Science and Training (DEST), Health and Ageing (DHA), Family and Community Services (FaCS), Transport and Regional Services (DoTaRS), Environment and Heritage (DEH) and Employment and Workplace Relations (DEWR). Six of these Secretaries were overseeing one COAG trial site each, while the DEWR Secretary was overseeing two. Two other members from before July 2004, who were not overseeing COAG trial sites, were a Deputy Secretary in the Department of Prime Minister and Cabinet and the Chief Executive Officer of ATSIC/ATSIS. As at July 2004, two new Secretaries were added to the Group from the departments of Attorney General (AGs) and Communications, Information Technology and the Arts (DoCITA), both of which were inheriting significant Indigenous-specific programmes and staff from the break up of ATSIC/ATSIS. The position of Associate Secretary in charge of the new Office of Indigenous Policy Coordination (OIPC) continued on from that of the Chief Executive Officer of ATSIC/ATSIS, thereby maintaining DIMIA's membership of the SGIA at two. Also, the Deputy Secretary from the Department of Prime Minister and Cabinet was replaced by the Secretary who, as noted above, became chair. To these 11 members of the SGIA from July 2004, a twelfth was added in May 2005, when the Public Service Commissioner joined, following a *State of the Service Report* which had shown Indigenous employment in the Australian Public Service (APS) to be in significant decline in recent years (Australian Public Service Commission 2004).[3]

We interviewed 11 of the 12 members of the SGIA during our research in the latter months of 2005. In what follows we do not identify the Secretaries by name, except for Peter Shergold, although their names could of course be obtained from many public sources. We also try not to recount what particular Secretaries said to us in ways which would overtly identify their departmental affiliation. There are, however, differences of

perspective among the Secretaries which may at times come close to identifying them to readers with a good knowledge of the workings and attitudes of various parts of the Australian Public Service. We did, however, as noted above, show this text to the Secretaries to give them the opportunity to say if they thought we had portrayed events in ways which were factually wrong, or if we had gone too close to breaching their confidentiality. The interpretations and the analysis in the later sections of the paper are, of course, entirely our own.

Understanding the new arrangements in Indigenous affairs, and Secretarial perspectives on them, is clearly an iterative and complex process, which requires some elaboration of past arrangements and debates in Indigenous affairs. In the next section, for example, we begin by elaborating somewhat on the term 'mainstreaming', as it has been used in Indigenous affairs in recent years, before going on to report what the Secretaries had to say about this term.

FINDINGS

NEW AND OLD MAINSTREAMING

We began our interviews with the Secretaries by exploring with them what differences, if any, they saw between new and old mainstreaming in Indigenous affairs. The context in which we did so was not just Minister Vanstone's comments quoted above, but also a much wider debate on these issues over the last year or more.

On 20 April 2004, when launching a Management Advisory Committee report entitled *Connecting Government: Whole-of-Government Responses to Australia's Priority Challenges,* Peter Shergold identified the new arrangements which the Government was 'about to embark on' in Indigenous affairs as 'a bold experiment in implementing a whole-of-government approach to policy development and delivery' and as 'the biggest test of whether the rhetoric of connectivity can be marshalled into effective action'. Shergold rejected 'reports in the media' that, with the demise of ATSIC, this renewed emphasis on the role of mainstream government departments was 'a return to the past'. The 'new whole-of-government mainstreaming', he argued, 'is the antithesis of the old departmentalism'. He then went on to outline five characteristics of the new whole-of-government mainstreaming: collaboration between government agencies, a focus on regional need, flexibility of programme guidelines and departmental allocations, enhanced accountability and joint leadership (Shergold 2004a: 11-12).

In February 2005, appearing before the Senate Select Committee on the Administration of Indigenous Affairs (SCAIA), Shergold refined this analysis somewhat. He now argued that the new approach was not mainstreaming at all, as this would mean having no Indigenous-specific programmes or agency. He now referred to the new arrangements as simply a 'whole-of-government' approach and noted that, rather

than being primarily about 'creating new structures' they were about changing 'the culture of how public servants deliver public policy' (*Senate, Official Committee Hansard*, 8 February 2005: 2).

Rather than picking up on Shergold's attempt to move away from the term mainstreaming, the Select Committee reinforced previous use of this term by entitling its March 2005 report *After ATSIC—Life in the Mainstream?* and by devoting the largest and final chapter of the report to 'Mainstreaming of Service Delivery'. It noted that 'mainstreaming' was 'widely criticised' in many submissions to it, and quoted one submission which referred to the 'splitting up and mainstreaming' of ATSIC's Indigenous-specific programmes as 'a huge step backwards' (SCAIA 2005: 77). However, it also noted that government departments were:

> ... optimistic that the new mainstreaming arrangements would improve their capacity to deliver results, through better coordination, more flexible programs, and improved accountability (SCAIA 2005: 86).

The Select Committee itself seemed ambivalent. It argued at one point that it had not 'been presented with any actual evidence to show that mainstreaming will bring about improvements in service delivery' (SCAIA 2005: 89). But then later it argued that, if certain identified 'critical issues' were addressed, 'mainstreaming has the potential to improve the delivery of services to Indigenous people' (SCAIA 2005: 110).

The Secretaries offered a number of different perspectives on mainstreaming in our interviews. One pointed to past experience in the health portfolio, which had received Indigenous health programmes from ATSIC in 1995. This Secretary saw this transfer as a positive and successful experience, which had both significantly increased resources devoted to Indigenous health and helped focus the Minister and Secretary of a major line department on Indigenous issues. It had also, this Secretary claimed, helped raise the profile of Indigenous issues at Commonwealth and State/Territory health ministers' meetings.[4]

Three other Secretaries pointed to their own department's extensive past experience of running Indigenous-specific programmes alongside and in conjunction with their much larger general programmes, dating back to well before the 1995 health changeover. For these Secretaries, having Indigenous-specific programmes mixed in with general programmes in their departments was nothing new, or unusual, and so there was much more of a sense for them of business as usual. One of these Secretaries noted that the term mainstreaming was loaded with negative connotations of 'just letting the system do its worst or best' for Indigenous people, without specific or appropriate attention being given to their particular needs, and hence was perhaps best avoided altogether. That Secretary's suggestion was to talk more about ensuring that 'Indigenous people get their fair share of total portfolio spending and attention'. We will return to this set of issues in our analysis and commentary. However, as demonstrated by Peter Shergold's attempt to move away from the term mainstreaming before the Select Committee, shifting established language in Indigenous affairs can be difficult.[5]

Another three Secretaries indicated in our interviews that these were challenging new times for their departments and for themselves. Their departments had had virtually no Indigenous-specific programmes

in the past, and so working out how staff and Indigenous-specific programmes inherited from ATSIC/ATSIS might fit with their other programmes, staff and responsibilities was a significant new challenge for these Secretaries. One indicated that whereas 'in the old days' the occupant of their position would have had 'virtually nothing to do' with Indigenous issues, they were now spending 'up to ten per cent' of their time on them.

Amid this diversity of experience and views among the Secretaries about how the new, post-ATSIC mainstreaming was impacting on both their departments and their own positions, there was greater unanimity about the significance of the SGIA.

SECRETARIES GROUP ON INDIGENOUS AFFAIRS

We put to Secretaries in the course of our interviews that the SGIA was just another inter-departmental committee, of which Canberra has many. All rejected this idea out of hand, and argued that the level of senior executive commitment involved in the SGIA was, if not unique, then highly unusual. The only other recent parallel was seen to be the Secretaries Committee on National Security (SCNS), which has in recent years developed a cross-departmental approach to border security and terrorism issues. Having preceded the SGIA by several years, SCNS was clearly something of a model for the SGIA. However, as chair of both, Peter Shergold saw the SGIA as perhaps somewhat more unusual than the SCNS in that it was concerned with both 'policy development and service delivery', whereas the SCNS was primarily concerned with policy development.

One indication of the unusual nature of the SGIA has been its use of email bulletins, circulated over the names of all its members to large numbers of members of the Australian Public Service (APS) involved in Indigenous policy and programme delivery. Peter Shergold referred to the use of such bulletins in May 2005 as part of an attempt to achieve 'cultural change' within the APS, to 'alter attitudes' as well as 'reconstruct structures'. 'Such cultural change', he argued, 'is hard' and requires 'leadership and clear direction from the top' (Shergold 2005a: 3). We will return to these jointly-authored email bulletins from the SGIA as we proceed. Suffice to say at this stage that there have been four such bulletins in 2005 covering a range of topics. Another and perhaps even more significant indication of the unusual nature of the SGIA is that it has produced its own Annual Report for 2004-05, circulated again over the names of all twelve members (SGIA 2005a).

We asked the Secretaries whether they thought the SGIA would still be in existence in three years time and almost all said that they thought it would. Most thought it could survive a change of Prime Minister, but wondered just a little longer whether it could survive a change of Secretary of the Department of Prime Minister and Cabinet. A number of Secretaries acknowledged the central role of Peter Shergold in the development and mode of operation of the SGIA. With experience as a CEO of ATSIC, Public Service Commissioner and Secretary of the Departments of Employment, Workplace Relations and Small Business (DEWRSB) and DEST, Shergold had accumulated over a decade's experience in the 'old' approach to Indigenous

affairs, before in part designing and taking on his central role in the 'new' approach. As one Secretary put it, John Howard would never have had the idea of a Secretaries Group on Indigenous Affairs chaired by the Secretary of the Department of Prime Minister and Cabinet while Max Moore-Wilton was in that position.[6]

A number of the Secretaries also added that they thought the SGIA *should* continue to exist in three years, or even five years, given the complex and long-term nature of the issues that it was trying to address. One Secretary, however, expressed some impatience with the mode of operation of the SGIA and a desire to 'get on with the job' without having to talk it through with colleagues quite so much. One of the newer members of the SGIA also added that, its meetings were 'not an exercise in group think', as there were some fairly robust differences of opinion around the table. Though we did not observe SGIA meetings directly, we did pick up on some of these differences of opinion from the interviews. One Secretary approvingly quoted a NIC member as saying that for every social problem, Indigenous people want an economic solution. However, another of the Secretaries who we put this to retorted that for every complex problem there is always a simple solution and it is always wrong. Another suggested that the SGIA had a slightly unhealthy tendency towards strong assertion of a problem and a desire to have an immediate answer or result, rather than pausing for a somewhat gentler, more considered discussion and a slower pace of action.

We also asked Secretaries whether they thought there should be additional members of the SGIA, noting that two new members had been added in 2004, one in 2005, and that there were still six Commonwealth government departments unrepresented on the SGIA.[7] Most Secretaries thought that the present size of the group was about right. They thought that it covered the major Commonwealth players in Indigenous affairs and that other Commonwealth agencies were being and could be invited to participate in the Group when and if necessary, rather than making the SGIA bigger on a full-time basis.[8]

Hence, while there was unanimity on the highly unusual level of senior executive commitment involved in the SGIA and on the appropriateness of its current membership, there was by no means unanimity about the precise approach to be adopted. Some Secretaries saw issues as far more complex and long-term, while others were more impatient and inclined towards engaging in immediate and assertive action.

SINGLE INDIGENOUS BUDGET AND FINANCIAL ACCOUNTABILITY

One of the boasts of the SGIA is that, for the first time, it has prepared a single Indigenous budget, covering all Commonwealth Indigenous-specific funding. Much like the single counter-terrorism budget developed by the SCNS, this single Indigenous budget process has preceded the standard budget process and is said to open up the possibility of strategically reassigning money between portfolios and programmes, or of creating more flexible, general pools of money with which government can respond to the priorities expressed by communities. It is, in a sense, the financial mechanism through which, in Minister Vanstone's example community noted above, the road will be sealed rather than the houses built.

Bulletin Number 2 emailed by the SGIA to public servants in May 2005 was devoted to explaining this new budgetary procedure and asking for their 'contribution' to it in the future. The bulletin set out a six step process in which 'performance information on existing programmes and services' would in future be used. This would allow 'strategic decisions' to be made, in the 'single Indigenous budget submission', 'against government priorities for Indigenous-specific expenditure, including opportunities to maximise coordination and minimise duplication and overlap' (SGIA 2005c). This email was clearly intended to draw middle level public servants across a range of departments into the single Indigenous budget process for 2006-2007 in a way that had not been possible for the 2005-2006 process.

Reactions among the Secretaries to this single budget process were, again, somewhat varied. Some saw it as having considerable potential to increase the flexibility of current departmental funding allocations, which they frankly admitted were quite restricting. Others, however, saw their own existing departmental budget allocations as already quite flexible, and that proposals for creating more general flexible funding pools added little. There was, however, a very clear sense among all the Secretaries that because budget allocations had to be authorised by Parliament as directed to certain purposes or outcomes, it was in reality not going to be easy to shift money around between purposes like housing and roads. The Secretary of the Department of Finance and Administration had been invited to past meetings of the SGIA in order to explore possibilities to develop the degree of budgetary flexibility spoken of by the government and an approach had been developed where public moneys could be devoted to the purpose of agreement making with Indigenous communities, against which all agencies could report. However, the predominant budgetary reality was still going to be that each department had to have its own budget for identified purposes and that moving money between purposes across departments, or even between programmes and purposes within departments, was not going to be easy.

Critics may say that this resistance to moving away from departmental and programme budgets was simply bureaucratic self-interest and the old departmentalism reasserting itself. But the Secretaries saw it more as a matter of having to meet the requirements of parliamentary authorisation of public expenditure and proper financial accountability. One or two Secretaries also worried that new, more general, funding allocations dedicated to purposes such as agreement-making with Indigenous communities, had the potential to end up in the budget of OIPC and lead to it growing into a large Indigenous-specific agency which might undercut the very idea of mainstreaming.

OIPC AND INTERGOVERNMENTAL AGREEMENTS

Our interviews with Secretaries revealed some ambivalence about the role of OIPC due to a concern that it might develop again into a quite large Indigenous-specific bureaucratic empire. This new Office has from its inception remained an Indigenous-specific organisation of some significant size within Commonwealth government administration, having a 2005-06 budget of some $400 million. This is partly because OIPC still administers three or four quite large Indigenous-specific programmes in the areas of land and native title, as

well as having a direct budgetary responsibility for the Torres Strait Regional Authority (which survived the break up of ATSIC). These programme responsibilities aside, OIPC will still spend approximately $100 million on its own administration in 2005-06, reflecting the fact that it has been building up the 29 ICCs. Hence the idea that OIPC might, in time become an Indigenous-specific budgetary and bureaucratic empire which might undercut the idea of mainstreaming is not without some credibility.

In response to this prospect, one Secretary in a large-spending line department suggested that it might be more productive if OIPC were in future 'broken up' and for relevant parts of it to come across into that department, rather than being left as an 'awkward pimple' on a department dominated by its immigration function. Without making quite such clear claims for their own departments, other Secretaries too wondered whether parts of OIPC might be better placed in other departments and those elements with a genuine coordination role placed within the Department of Prime Minister and Cabinet.[9] This is not, in our judgement, what appears to have happened as a consequence of the ministerial reshuffle of 24 January 2006, as OIPC has essentially been transferred in its existing form from DIMIA (now the Department of Immigration and Multicultural Affairs) to the newly re-badged Department of Families, Community Services and Indigenous Affairs (FaCSIA), without in any sense trying to distinguish between its coordination and residual programme administration roles. Here it should be noted that a small Indigenous Policy Branch within the Department of Prime Minister and Cabinet administratively services the SGIA in support of Peter Shergold as its chair. It is perhaps from here that the Secretaries who worry about the growth of OIPC would like to see the coordination role in Indigenous affairs being performed. However, this could lead to the Department of Prime Minister and Cabinet having 29 offices all over Australia, and that is not generally how that Department sees itself developing.

In its current form, based in DIMIA and now FaCSIA, OIPC has done considerable work on the development of intergovernmental agreements with the States and Territories. This has been based on a document signed at the Council of Australian Governments meeting on 25 June 2004, called the National Framework of Principles for Delivering Services to Indigenous Australians. This document outlined six principles for intergovernmental collaboration in Indigenous affairs referred to as sharing responsibility, harnessing the mainstream, streamlining service delivery, establishing transparency and accountability, developing a learning framework and focusing on priority areas (COAG 2004). This generalised multilateral approach also foreshadowed a bilateral approach in which the Commonwealth would sign more specific agreements with each State and Territory. OIPC has been the key Commonwealth player in advancing these bilateral negotiations and has been reporting regularly on progress to the SGIA.

The first such bilateral was signed in April 2005 with the Northern Territory government, covering the period to 2010. It is referred to as an 'overarching agreement' and elaborates in fairly general terms on the COAG principles, while also making some more specific commitments relating to the continuation of the COAG trial at Wadeye, housing, the arts industry and regional community governments (Commonwealth of Australia and Northern Territory of Australia 2005). We were informed, through our interviews, that similar agreements with South Australia, New South Wales and Queensland were at a reasonably advanced

stage of negotiation. Western Australia was seen as moving much more slowly towards a more detailed and comprehensive agreement. Tasmania was seen by OIPC to have been the laggard in bilateral negotiations because it wanted to adopt a very restrictive genealogical definition of Aboriginality, while wanting to be funded in accordance with the larger numbers of Indigenous people recorded in recent censuses in Tasmania (see Sanders 2004a).

Most of the Secretaries we interviewed saw themselves as fairly marginal to these intergovernmental agreement-making processes, and saw OIPC as largely just keeping them informed through the SGIA. Some, however, had greater involvement, or views to offer, in the State or Territory which contained their COAG trial site. Indeed two Secretaries argued that the agreements being negotiated with State governments reflected the success of their COAG trials in those States and were, in essence, attempting to apply the approach and lessons of those trials to the State more generally.

ICCs AND LOCAL/REGIONAL AGREEMENT MAKING

OIPC's other major role over the first 18 months of its existence has been to develop ICCs, and through them to advance agreement making with Indigenous people at the regional and local community levels. We asked Secretaries how well the arrangements in the ICCs were working, both at the level of staffing and lines of authority and with agreement making. Again this elicited a diversity of responses.

FaCS, DEWR and DEST seemed to be the departments which had, and were committed to having, significant numbers of staff located in ICCs on a full-time basis. Most of the other Secretaries noted that their departments had few, if any, staff in the ICCs and that they couldn't see this changing in the near future as they simply did not have the resources to base even a single officer in each ICC. Some talked of developing a 'hub and spoke' model, where staff based in State or Territory offices of their departments travelled out to ICCs from time to time, rather than being based in them full-time.

Many Secretaries talked about the staff that they had inherited from the break up of ATSIC/ATSIS in regional areas as being at too low a level and as not having the skills to become involved in the new agreement-making environment. Either the staff needed to develop these skills and be given more seniority, or new staff needed to be found. Which of these was occurring was only slowly emerging, as some staff were still very demoralised and recovering from what some described as a 'mourning period' over the break up of ATSIC/ATSIS. But even with new or newly skilled staff, Secretaries still saw potential problems in ICCs.

As one Secretary put it, in asking ICC employees to be 'solution brokers', the government is effectively asking them to operate at something like Executive Level 1 within the APS. Even with some increased seniority for employees in these offices, only the ICC managers are likely to be at anything like this level. Another Secretary noted that there didn't seem to be a lot of Executive Level 1 officers within the public service lining up to manage an ICC, or who would see it as a 'good career move', and that even if they did they would need

to be 'good strategic operators' rather than just 'good details people'. As another Secretary put it, even the best ICC manager would not be able to be the sort of solution broker that they (the Secretary) had been in regard to their COAG trial site. That Secretary admitted to having to place considerable pressure on other Commonwealth and State/Territory counterparts in order to change established organisational patterns of commitment and activity in the trial site area, and also argued that an ICC manager could never be expected to assert similar authority.

One Secretary felt that OIPC was trying to be 'a bit too directive and controlling' through the ICC managers. Some good examples of ICC managers were identified who were 'not territorial, not cynical about change and were able to engage well with people from other organisations'. However, some instances where tensions had arisen between ICC managers and staff of line departments were also alluded to without being specifically identified.

Clearly, ICCs were seen by the Secretaries as presenting some very significant governance and skill challenges which would have to be addressed if the full potential of ICCs was to be realised within the new arrangements. Perhaps not surprisingly then, one of the four email Bulletins of the SGIA during 2005 was devoted to the 'ICC model' and how these new offices were 'travelling after their first year'. This Bulletin focussed on the 'expectation' that ICCs would 'operate as whole-of-government' offices and it developed a 'five point plan' to this end. It emphasised that 'ICC Managers are responsible for managing, on a day-to-day basis, the coordinated activities of staff from different agencies' and that '[a]ll ICC agencies have a role in building partnerships with Indigenous communities and organisations' (SGIA 2005d). The fact that this needed to be said in a Bulletin after a year, however, is itself perhaps indicative of the ICCs in practice not living up to this ideal, and of departmental loyalties and processes sometimes taking precedence. In our meetings with Peter Shergold, he likened the ICC approach to that of an Australian Embassy, where staff from many government agencies operated under the clear direction of the Ambassador while still having a line responsibility back to their individual agencies.[10]

On local and regional agreement-making, we questioned Secretaries primarily about Shared Responsibility Agreements (SRAs), rather than Regional Partnership Agreements (RPA). This reflected the fact that at the time we did our interviews 76 SRAs had been signed and only one RPA. Soon after our interviews Minister Vanstone announced the signing of another 44 SRAs, three of which were linked to the one RPA signed previously (Vanstone 2005b). Another two SRAs in this latest group related to the western NSW region of Murdi Paaki and its proposals for a regional system of Indigenous representation (Vanstone 2005b). So perhaps the distinction between SRAs and RPAs is becoming rather blurred anyway.

Secretaries were generally positive about SRAs, but noted that they only accounted for a very small proportion of money flowing from departments to Indigenous community organisations. In total, the 120 SRAs signed by November 2005 accounted for just $27 million of Commonwealth funds. A couple of Secretaries noted that SRAs did not always sit easily beside their more established funding procedures, such as scheduled,

open, national, and competitive application rounds or contract tender processes. However, Secretaries were still willing to work with and contribute to SRAs where they were emerging. They were generally willing to contribute to SRAs those elements of departmental expenditure which were more discretionary in nature and which could be freed up from larger prescribed funding procedures. But as one Secretary put it, the emphasis currently being placed on the securing of SRAs was a bit like 'the tail wagging the dog'. This was only partly a criticism, and partly an observation of relative size. In an annual Indigenous-specific budget of around $3 billion, the odd $27 million or even $200 million covered by SRAs is only the icing on the cake. While Secretaries acknowledged the current political imperative to demonstrate the principle of responsibility sharing and mutual obligation through increasing the number of SRAs, these agreements were nonetheless seen as somewhat marginal to, and in some instances in conflict with, much larger national funding processes.

Two of the jointly-authored email Bulletins issued by the SGIA during 2005, Numbers 1 and 3, focused on SRAs. The first of these explained that SRAs were about 'discretionary benefits', rather than 'essential services or entitlements' and that, in the first instance, they would generally cover 'a single issue' or community 'priority' (SGIA 2005b). The later Bulletin talked about moving towards a more 'comprehensive approach' to SRAs focusing on 'long term strategic goals'. It also explained the relationship between SRAs and RPAs thus:

> RPAs tend to set out higher level community goals and the outcomes to be delivered. However, as they progress, they should include SRAs with clear shared responsibilities for local communities or groups which support the objectives of the RPA (SGIA 2005d).

Both of these Bulletins also reiterated the need to 'work together' across government agencies, both in ICCs and at more senior managerial levels, in order to progress agreement making. The Bulletins identified ICC managers as 'responsible for negotiating SRAs' in all places except the COAG trial sites, where this responsibility was shared with the Commonwealth's 'lead Secretary' for that trial (SGIA 2005b, 2005d).

COAG TRIALS

We also questioned Secretaries about their COAG trials, and here it needs to be recalled that only seven of the 12 members of the SGIA have had responsibility for trial sites. Most of these seven Secretaries saw their COAG trial experiences over the last three years as having taught them a lot, mostly in a positive sense, about what can be done, but also at times more negatively about how difficult it can be to change existing situations. Most Secretaries wanted to maintain their association with a COAG trial site, though one thought it was time to move on from being so focused on trial sites and to instead focus more on processes and structures which applied more generally across Australia. One of the Secretaries who was not supervising a COAG trial site had some sympathy with this latter point of view as a result of having observed that at times the SGIA lapsed into a competitive forum of personal initiatives undertaken at COAG trial sites.

We asked the Secretaries who did not have a COAG trial site whether they would want one and whether the lack of a trial site rendered them in any way lesser members of the SGIA. To both questions the consistent answer was no. Secretaries who did not have a COAG trial site either thought that their organisation was too small to take one on or that their organisation was not involved enough with Indigenous issues to warrant involvement with a trial site. Interestingly, Secretaries who did have trial sites virtually all agreed that they involved a very substantial amount of work and that their departments certainly could not take on any more.

While Secretaries generally thought they had learned a lot from their direct involvement with the COAG trial sites, they all acknowledged that there had been no formal evaluation of their trials. We were informed that OIPC was currently engaged in developing a process for the evaluation of COAG trial sites but that these evaluations had yet to commence. One Secretary suggested that such evaluations would in all likelihood, be 'more about building up narratives about what it takes to make things change' in particular circumstances rather than some scientific comparative exercise.[11]

SECRETARIAL PERFORMANCE ASSESSMENT

In April 2004, when first foreshadowing the new arrangements in Indigenous affairs and their 'five characteristics', Peter Shergold noted, under 'accountability', that:

> The performance of relevant departmental secretaries (on which the Prime Minister decides the allocation of performance pay) will be assessed, in part, by their success in oversighting a whole-of-government response to the disadvantage faced by Aboriginal Australians and Torres Strait Islanders (Shergold 2004a).

We asked Secretaries how they expected to have their performance assessed. We were told that Ministers had been given 'charter letters' by the Prime Minister when being appointed after the 2004 election. The charter letters were quite specific to each Minister and their portfolios, with some containing references to Indigenous issues. It is against the goals and objectives identified in these charter letters that both the Ministers and their Secretaries are held accountable by the Prime Minister. While the charter letters have thus far only been issued at the commencement of a parliamentary term, we were informed that they would soon be issued on a yearly basis.

With regard to assessing 'performance pay' for Secretaries, a more general process is undertaken and involves a self-assessment by all Secretaries reporting against a general set of guidelines, which includes contributing to a whole-of-government approach. The reports submitted by the Secretaries are examined and commented upon by the relevant Minister, the Secretary of the Department of Prime Minister and Cabinet and the Public Service Commissioner before being submitted to the Prime Minister for decision. In interviews with Peter Shergold and the Public Service Commissioner we were advised that in assessing the performance of the Secretaries within the SGIA, close consideration was given to the way in which Indigenous issues were

managed by a Secretary within and across relevant portfolios. Assessment of Secretaries is undertaken on a financial year basis, with the 2004-2005 performance pay assessments being signed off by the Prime Minister in October 2005. Secretaries received either a 0, 10 or 15 per cent bonus following the decision of the Prime Minister. We did not obtain any further insight into the process than this.

MINISTERIAL TASKFORCE AND NATIONAL INDIGENOUS COUNCIL

The last two matters we systematically asked Secretaries about were the Ministerial Taskforce on Indigenous Affairs and the NIC.

The Ministerial Taskforce first met on 16 June 2004 and then, after three intervening meetings, met for the fifth time in October 2005 during the period we were interviewing Secretaries. The Taskforce had been chaired by the Minister for Immigration and Multicultural and Indigenous Affairs during this period and has had nine other members, but not the Prime Minister (see Appendix 2 for the list of Ministers). Secretaries have sat with their Ministers at Taskforce meetings around the Cabinet table and have contributed to the discussions directly. Shergold and the DIMIA Secretary have generally sat on either side of Minister Vanstone and have assisted with the chairing. Most Secretaries have only had one Minister present but the Secretary of AGs accompanies both the Attorney General and the Minister for Justice and Customs. Following the ministerial reshuffle of 24 January 2006 the Taskforce will be chaired by the Minister for Families, Community Services and Indigenous Affairs, assisted no doubt by the Secretary of FaCSIA and Peter Shergold.[12]

The Secretaries were generally positive about the value of the Ministerial Taskforce in the same way that they were about the SGIA. They clearly thought that, like the SGIA, the Ministerial Taskforce represented an unprecedented level of senior governmental attention being paid to Indigenous affairs and that this in itself held considerable promise. Again the only comparable contemporary parallel was seen to be in the area of national security policy, where a ministerial committee known as the National Security Committee works in conjunction with the SCNS in much the same way as the Ministerial Taskforce on Indigenous Affairs works with the SGIA. A few Secretaries expressed frustration at some aspects of the discussion with the Ministers in the Taskforce. Some Ministers were seen as having been quite quiet during the early meetings, perhaps due to inexperience on Indigenous issues, but had since become more vocal. Other Ministers were seen as having being quite vocal from very early on and as having repeatedly articulated certain priorities, or 'hobby horses'. Generally, however, the discussion among Ministers and Secretaries was regarded as constructive and helpful, even if at times a little too unstructured and free-ranging.

The Secretaries were a little less sure as to whether the Ministerial Taskforce would exist in three years time than for the SGIA. Most thought it would and should. These tended to be the Secretaries who saw Indigenous issues as more long-term and complex, whereas those who were inclined towards more immediate courses of action and who had expressed some impatience with the SGIA, also saw somewhat less value in the Ministerial meetings. However, even they saw as quite unusual this level of ongoing broad Ministerial focus on a specific area of government policy.

The NIC has 14 members and first met in November 2004. It meets quarterly, over two days, and was also about to have its fifth meeting at the time of our research. The SGIA meets with the NIC during these quarterly meetings, so the Secretaries also had some reflections to make on the NIC and how it was working. Most Secretaries thought the NIC was doing a good job and some noted specifically that it had exceeded their expectations. Several Secretaries noted that a number of NIC members were forcefully articulating their own specialities of advice, reflecting their own backgrounds and experience. One Secretary observed that NIC members were proving more pragmatic than ATSIC Commissioners, which meant that they were both easier to deal with and gaining some 'partial wins'. Another noted that NIC members had at times disagreed quite strongly with particular Ministers, which was seen as a positive. Overall, therefore, there was respect and support among the Secretaries for the NIC members and the contribution they were making under the new arrangements.

CABINET IMPLEMENTATION UNIT

One other relatively new element of Commonwealth government machinery, which also became identified during our interviews as possibly contributing to the new arrangements in Indigenous affairs, was the Cabinet Implementation Unit (CIU). This was established in October 2003 in an attempt, according to Peter Shergold:

> ... to build a culture across the public sector that values commitment and capacity to deliver as much as ability to develop good policy (Shergold 2004b: 5).

The CIU was, Shergold argued, an example of 'structural and systemic change directed at cultural transformation' which sought to use the 'power of Cabinet' as both a 'gateway' and 'checkpoint' in order to ensure that Cabinet decisions both 'address implementation' when being made and then are monitored for implementation subsequently (Shergold 2004b: 5). Shergold described a 'traffic light' monitoring format, which identifies past Cabinet decisions with an amber or red light if their implementation is in danger of 'running significantly behind schedule', but more importantly focuses attention 'on what can be done to bring them back on track' (Shergold 2004b: 5). We were informed in our interviews that at least one Cabinet decision relating to Indigenous issues in the last year, in the area of family violence, had been given a red light at one point, provoking renewed concerted effort. Of the approximately 180 recent Cabinet decisions currently on the monitoring list of the CIU, we were also informed that 11 involved Indigenous affairs issues. Though this is not a huge number, it is large enough to suggest that the CIU is another significant administrative mechanism contributing to the new arrangements in Indigenous affairs.

INDIGENOUS EMPLOYMENT IN THE APS

One other issue which came to the fore during our interviews was that of Indigenous employment in the APS. Falling levels of such employment were, as noted previously, the reason the Public Service Commissioner joined the SGIA in May 2005. Since then, there has been ongoing debate among the Secretaries about how

this should be addressed and a new APS Employment and Capability Strategy for Aboriginal and Torres Strait Islander Employees has been developed (Australian Public Service Commission 2005).

As part of the process of developing this new Strategy, a Deputy-Secretaries Group on Indigenous Employment, chaired by the Public Service Commissioner, has also turned its attention to the issue of 'Indigenous identified positions' within the APS: that is, positions for which Indigeneity is seen as either a necessary or desirable criterion for employment. While many public service positions have been filled in the past using Indigeneity as one criterion for employment, it appears that departments are generally unable to report how many Indigenous-identified positions they currently have. What departments can report is how many self-identifying Indigenous employees they have, and there is clearly debate in both these committees over how much further than that they should go. Should specific positions in the APS be identified on an ongoing basis as best filled by Indigenous people, or should Indigeneity and the merit principle for public service employment be kept clearly separate?

From our interviews it was clear that some Secretaries believed there was a case for ongoing identification of Indigenous positions in the APS in order to build up, or even just to maintain, the numbers of Indigenous people in the public service. However others were less sympathetic and saw an 'ability to deliver outcomes' as all that really mattered. This debate was seen as particularly relevant to ICCs, because of their inheritance of significant numbers of Indigenous-identifying staff from the break up of ATSIC/ATSIS and the push to either develop the skills of those staff for the new emphasis on agreement making, or to replace them.

ANALYSIS AND COMMENTARY

Having reported on the findings of our interviews and meetings, we move in this fourth section of the paper to more explicitly developing some of our own analysis and commentary. We do so in three subsections, the first of which suggests that some of these new arrangements and ideas in Australian Indigenous affairs might not be quite as original as they are sometimes presented. However, the discussion also acknowledges that there are genuine and worthwhile elements of innovation in the new arrangements. The second subsection of our analysis and commentary abandons the terminology of mainstreaming, and to some extent also whole-of-government, but breaks down the ideas behind these terms into two component parts: the involvement of line departments and agencies of government in Indigenous issues, and then coordination between those departments and agencies once involved. It identifies arguments for the involvement of line agencies and also some hopes and dangers of Indigenous-specific programmes and organisations. It also cautions against calls for coordination which may in fact be attempts by particular policy sectors to dominate, while acknowledging that central agencies do have a remit to articulate some sense of government as a whole.

The third part of our commentary notes the diversity of opinion in the SGIA and relates this to a diversity of opinion on Indigenous affairs in Australian society more widely.

NEWNESS

Governments often claim to be doing new things which, on more critical and informed examination, turn out to be not so entirely original. This is quite normal and in a sense just reflects how unusual it is to develop genuinely new ideas and ways of doing things in any area of government activity. It also reflects how even ideas and mechanisms that are relatively new often grow incrementally out of earlier experience.

We noted above that the SGIA was not in fact entirely new in 2004, but that it had grown out of a similar, less high-profile group overseeing the COAG trial arrangements developed between 2000 and 2003. We could in turn note that the COAG trial arrangements had themselves evolved from over a decade of intergovernmental collaborative efforts in Indigenous affairs, dating back to another multilateral COAG agreement signed in 1992. This agreement, which was itself two years in the making, focused somewhat similarly to the 2004 agreement on 'improved outcomes' and 'greater coordination of the delivery of programmes and services by all levels of government to Aboriginal peoples and Torres Strait Islanders' (COAG 1992). We could also note that under that earlier COAG multilateral approach, there was a similar attempt to develop more specific agreements between the Commonwealth and each State or Territory and that the first of these, in 1995, had also been signed with the Northern Territory on housing and infrastructure issues (Howe, O'Donoghue & Hatton 1995). Similarly, contrary to the claim that the SGIA's Single Indigenous Budget is the first such process, we could note that, from 1991 until almost the turn of the century, the Commonwealth produced a budget-related paper which attempted to identify and bring together in one document all its Indigenous-specific funding programmes (Tickner 1991, 1995; Herron 1997, 1998).

This catalogue of government efforts from the 1990s in Indigenous affairs which bear considerable similarity to current efforts clearly calls into question some of the more extreme rhetoric of newness. But this is not so much a criticism as a demonstration of just how much of what governments present as new in fact has its roots in the past. We can take this observation even further back to the 1970s and note that when Prime Minister Whitlam in early 1973 addressed the State Ministers of Aboriginal affairs about the establishment of the new Commonwealth Department of Aboriginal Affairs (DAA) in pursuit of the Commonwealth taking 'full responsibility for policy and finance in respect of Aboriginal Affairs', he went on to say:

> At the same time, my Government is convinced that in formulating and giving effect to its responsibility, it must draw upon the knowledge, experience and services of all sections of Government. It will not therefore aim to establish an omnibus Department of Aboriginal Affairs. It will instead seek to devolve upon a wide range of Federal, State and local authorities, as well as upon organisations of Aboriginals themselves, responsibility for carrying out the policies decided upon by my Government. These authorities would be responsible for Aboriginals in the same matters and in the same ways as they now are functionally responsible for the community generally (Whitlam 1973).

Here, in Whitlam's words, we see a classic statement of the whole-of-government, whole-of-community responsibility sharing idea which still informs the new arrangements in Indigenous affairs over thirty years later. Functional government agencies, of all sorts at all levels of government, were being called upon by Whitlam to take responsibility for services to Indigenous people as to other Australians and alongside organisations of Indigenous people themselves. The then-new DAA, like OIPC today, was being given a more restricted, but overarching, policy role. Throughout its existence in the 1970s and 1980s, DAA continued to emphasise its roles of policy coordination and programme supplementation in relation to other government agencies, rather than in any sense wanting to displace or take over their responsibilities for servicing Indigenous people (see various DAA Annual Reports). The same could also be said for ATSIC during its 15 year life. Indeed the fourth 'object' of the ATSIC Act, which remained unchanged throughout its life, was:

> (d) to ensure coordination in the formulation and implementation of policies affecting Aboriginal persons and Torres Strait Islanders by the Commonwealth, State, Territory and local governments, without detracting from the responsibilities of State, Territory and local governments to provide services to their Aboriginal and Torres Strait Islander residents (*Aboriginal and Torres Strait Islander Commission Act 1989*, s.3)

Both DAA and ATSIC may never have fully succeeded in persuading other government agencies to take on their full responsibilities in relation to servicing Indigenous people, while themselves adopting the roles of policy coordination and programme supplementation. However, the important point is that these 'old' arrangements in Indigenous affairs were very much informed by the very same ideas of whole-of-government and whole-of-community responsibility sharing which now inform the 'new' arrangements. So the rhetoric of newness around ideas of responsibility sharing is clearly somewhat overstated.

These links between past and current Indigenous affairs arrangements could be seen as bearing out Lowitja O'Donohgue's 1997 contention that 'in Indigenous Affairs nothing is new, just forgotten' (O'Donoghue 1997). We do not, however, wish to take quite such an absolutist position. There *are* genuinely new aspects to the current arrangements in Indigenous affairs and these need to be recognised. Primary among them is the level of senior executive attention being paid to Indigenous affairs across a broad span of the Commonwealth government, through the SGIA and the Ministerial Taskforce. This is genuinely new. Never before has there been quite so much senior executive attention paid to Indigenous affairs across such a broad range of Commonwealth government ministries and agencies. The single Indigenous budget process also has elements of newness, in that it is undertaken in advance of and leading up to the general budget process, rather than as an after-the-fact reporting process, as occurred under ATSIC back in the 1990s.

Another genuinely new aspect of the new arrangements is that for the first time the call for coordination in Indigenous affairs between Commonwealth agencies, and also between these agencies and State and Territory government agencies, is being made, at least in part, by a *central* Commonwealth government agency, the Department of Prime Minister and Cabinet. This is quite different from calls for coordination being made by a sectoral or line agency, like DAA or ATSIC or OIPC alone. Other organisations can all too easily dismiss such calls for coordination by a line agency as that organisation pursuing its own sectoral

agenda in the name of coordination. We will return to this issue in the next subsection of our commentary and analysis under the idea of coordination.

In conclusion to this subsection, we would like return to the links between the new and old arrangements in Indigenous affairs and to the comment by one of the Secretaries that Prime Minister Howard would never have come up with the idea of having a Secretaries Group on Indigenous Affairs chaired by the Secretary of the Department of Prime Minister and Cabinet while Max Moore-Wilton was in that job. What this comment points to is the key role of Peter Shergold in devising and directing the new bureaucratic arrangements in Indigenous affairs, not only as the chair of the SGIA but also as a source of ideas and experience about what can be done through that body. In this regard the importance of Shergold's previous decade of experience in areas of Commonwealth administration which were highly exposed to Indigenous issues cannot be underestimated. He knew from his days at ATSIC about bringing together a single Indigenous budget statement and about multilateral national framework commitments pursued under the COAG banner. He also knew from those days about bilateral agreements between particular States or Territories and the Commonwealth or, as they were then called, trilateral agreements—for ATSIC also signed them. He knew about running Indigenous-specific programmes alongside general programmes in large line departments from his days at DEWRSB and DEST. And he knew from all this experience some of the difficulties and pitfalls, as well as the strengths, of funding partnerships between government and Indigenous community-based organisations for the delivery of particular types of services to Indigenous people.[13]

In short, Shergold has had an armoury of ideas and experience gleaned from the old arrangements in Indigenous affairs which he has reworked to accommodate the Howard Government's particular political agenda in Indigenous affairs. The new Indigenous affairs arrangements within the public service can be seen as having been profoundly informed by Shergold's past experience. In these new arrangements, however, Shergold sits in a position of far greater status and authority than he, or indeed anyone else involved in Indigenous affairs, ever occupied under the old arrangements. Directing Indigenous affairs from the position of Secretary of the Department of Prime Minister and Cabinet is quite different from trying to direct it as the CEO of ATSIC. But apart from this change of position for Shergold, the SGIA and the Ministerial Taskforce, the ideas and mechanisms being pursued are not entirely new. Perhaps this is why Minister Vanstone referred to the new arrangements in Indigenous affairs as a 'quiet revolution'. Like so many revolutions, the new arrangements are in many instances quietly returning to and slightly re-working, ideas and mechanisms which have in fact been tried before, albeit in somewhat different circumstances.

BEYOND MAINSTREAMING AND WHOLE-OF-GOVERNMENT: INVOLVING LINE DEPARTMENTS AND COORDINATION

In this subsection we want to return to the issue of the language of mainstreaming, and also to a lesser extent that of a whole-of-government approach. As one of the Secretaries noted in our interviews, the term

'mainstreaming' is loaded with negative connotations in Indigenous affairs. It has in the past even been argued to be the equivalent of a return to a policy of assimilation in Indigenous affairs (e.g. Mowbray 1990). Similarly, the 2005 SCAIA Report opened with the following quote from former ATSIC Commissioner, Alison Anderson, which explicitly opposes mainstreaming to self-determination, the preferred policy terminology of Indigenous affairs over the last 30 years:

> Aboriginal law is the first law of the land; it is unchanging and must be respected. A new relationship must be established between Aboriginal and non-Aboriginal people based on mutual respect and recognising full Aboriginal self-governance on an equal basis. It is the only way we will achieve real benefits for Aboriginal people.
>
> To this end, the provisions of the ATSIC amendment bill and the information on the replacement structure constitute a denial of the right of Indigenous people to self-determination. This is of considerable concern as self-determination needs to be enhanced and strengthened to bring about positive change. It is contrary to the aspirations of Indigenous people. The potentially destructive impact of the move from self-determination to mainstreaming will be seen in the immediate future. Our concern is that once again we will be experimented on and that, in another five to 10 years time, we will be back to discuss what went wrong (SCAIA 2005: 1).

In these circumstances the terms *mainstream* and *mainstreaming* are probably best avoided altogether. The term 'whole-of-government', which Peter Shergold now prefers, is also somewhat vague and, although not quite so loaded as mainstreaming, perhaps obscures as much as it clarifies. So, a preferable course, it seems to us, is to try to identify in different, clearer terminology some of the ideas that various people seem to be trying to express in some of these debates. We identify two such ideas and discuss them serially in this subsection. The first is the idea of involving functional or line departments or agencies of government in Indigenous issues, while the second is achieving coordination between those line departments or agencies once involved. We begin, in the next few paragraphs, by asking why might one argue for the involvement of functional or line agencies of government in Indigenous issues and service delivery, rather than simply leaving these matters to Indigenous-specific organisations?

Over a decade ago, in responding to some of the arguments of the Royal Commission into Aboriginal Deaths in Custody, one of us articulated a number of reasons why in fact it may be useful and beneficial to have a quite large number of different line agencies of government involved in the funding and delivery of services to Indigenous people. These reasons related to the *amount* of resources that may be made available to Indigenous services, the lessened *visibility* of those resources and services compared to them all being committed through Indigenous-specific agencies, Indigenous people's greater *manoeuvrability* and autonomy in relation to any one funding programme or agency and an increased likelihood of catering for the *diversity of circumstances* in which Indigenous people live (Sanders 1993; see also Altman & Sanders

1995). Three years later, in the specific context of the transfer of Indigenous health programmes from ATSIC to the Commonwealth Department of Health, some of these arguments were refined and expanded as follows:

> The common view is that institutional arrangements in Indigenous health are unnecessarily complex and that there is a need for some significant clearing of the organisational landscape. A contrary view, however, is that to a large extent the complexity of institutional arrangements in Aboriginal health reflects the complexity of the issue being addressed. Aboriginal people's health is affected by numerous inter-related factors which relate to the roles and responsibilities of numerous government, and also non-government, organisations. For a concerted and effective effort in Aboriginal health to emerge, large numbers of these organisations need to be drawn in to the Aboriginal health arena and linked in appropriate ways one to another. On this view, the need is not for a clearing of the organisational landscape but for its enhancement; a further bringing in of organisational players with useful resources and expertise, an increase in resources and the creation of better linkages (Anderson & Sanders 1996: 17).

Two years later again, Deeble et al. (1998: 21-2) showed that Indigenous people were not achieving equitable access to general health expenditures through the Medicare and the Pharmaceutical Benefits schemes. This finding helped alert the Commonwealth health administration to the need to be conscious of Indigenous people's access to its general health programmes as well to Indigenous-specific ones. This tied in well with some concurrent experimentation in the 'cashing out' of Medicare and Pharmaceutical Benefit Scheme entitlements into prefunded Coordinated Care Trials in some geographic areas with high Indigenous populations, which were generally judged to be quite successful (KPMG Consulting 2001).

All this bears out the reflections of the very first Secretary we quoted above, that the transfer of Indigenous-specific programmes into a line agency, like health, can lead to increased resources and expertise being applied to Indigenous issues in that functional area. However, this does not happen automatically. It relies on some consciousness in the line agency that general programmes and arrangements might not in fact be as accessible to Indigenous people as to others and that therefore some modification of those general programmes or consideration of Indigenous-specific circumstances and programmes is required to achieve equitable access. This, of course, bears out the contention of the other Secretary quoted above who, rather than talking about mainstreaming, wanted to talk about whether Indigenous people were getting their fair and appropriate share of the total expenditure and attention in the portfolio area. This, arguably, is the more substantial test of whether Indigenous people are receiving just treatment in a portfolio area, rather than just whether that portfolio does, or does not have, Indigenous-specific programmes.[14]

The relationship between Indigenous-specific programmes and general programmes within a portfolio area is clearly complex, and in many ways parallels relations between Indigenous-specific and general agencies within government. The hope is that through the presence of Indigenous-specific mechanisms, the general programmes or organisations will be sensitised to their own 'embeddedness' in the dominant society's norms and circumstances and will recognise the rather different social norms and circumstances of Indigenous people which sometimes make their access to general programmes problematic. This should lead the general

programmes and organisations to adapt and more truly generalise themselves to both Indigenous and non-Indigenous norms and circumstances.[15]

Contrary to this hope, however, there is a danger that general programmes and organisations will see Indigenous-specific mechanisms as a reason not to address Indigenous issues in any substantial way, and to largely leave them to the Indigenous-specific mechanisms. Many of the Secretaries we interviewed voiced their belief that this had been allowed to happen under the old arrangements in Indigenous affairs, under both DAA and ATSIC. ATSIC often felt that other government agencies were not doing enough for Indigenous people and that it was being blamed, or held accountable, for outcomes in Indigenous affairs which were well beyond its control and budgetary influence. ATSIC often liked to point out that, even in its heyday, it only controlled about half the Commonwealth's Indigenous-specific expenditure, let alone controlling any of the far larger general expenditure of relevance to Indigenous people. Peter Shergold, in analysing what had been wrong with Indigenous affairs administration in the past recently put the matter this way:

> Indigenous-specific bodies and programmes can work only if they are recognised to complement and supplement mainstream programmes. Too often they are perceived to be a unilateral alternative. Established mainstream agencies are let off the hook, acting (often unconsciously) as if responsibility sits exclusively with the indigenous organisations and programmes. The Commonwealth now spends over $3.1 billion annually on indigenous programmes. It's a lot of money. It's not nearly enough if the programmes are not integrated with the mainstream services available to the wider Australian community (Shergold 2005b: 2).[16]

Here then is the conundrum of Indigenous-specific mechanisms within government administration. They run the danger of letting general mechanisms avoid responsibility for Indigenous people, while simultaneously holding out the hope of sensitising those general mechanisms to Indigenous difference.

Let us assume for the moment that hope can triumph over danger and that line agencies of government can learn to deal sensitively with Indigenous issues through a combination of Indigenous-specific programmes and critical reflection on the ways in which access for Indigenous people to their general programmes may be problematic. It is at this point, when large numbers of line and functional agencies of government are actively engaged in Indigenous issues that coordination becomes a concern. Coordination is in this sense a secondary problem which arises only when large numbers of line departments or agencies of government are engaging with Indigenous issues. The question then arises of whether these efforts are reinforcing and assisting each other, or whether alternatively they are being less than fully effective through lack of complementary effort in related areas.

From his time as Secretary of DEST, Peter Shergold sometimes gives the example of trying to get Indigenous children to attend school. This was, he argues, not just about education policy, but also about whether the children had had breakfast, which in turn could be related to whether there had been disruptions in a community the previous night, which in turn could be related to whether there were facilities like swimming

pools in the community which gave kids things to do (Malone 2005). Hence, in Shergold's experience, education policy was related to health, law and order and sport and recreation issues.

This sort of holistic social analysis, connecting issues to each other from discrete functional areas of government policy activity in cycles of reinforcing causality, often underlies calls for greater coordination in government policy. While such calls are both understandable and unexceptional, they do however have a danger. They can be used by one policy sector to assert its priority and dominance over another. This is roughly what happened to the Indigenous health sector within ATSIC in the early 1990s. After a review of Indigenous health policy which emphasised holistic social analysis and the links of Indigenous health status particularly to housing and infrastructure conditions, it was in fact the housing and infrastructure areas within ATSIC which got most of the new resources. Those involved in Indigenous health services naturally became rather dissatisfied with this outcome and decided that rather than trying to compete for health resources within ATSIC it might be better to be competing for Indigenous resources within the health portfolio (Anderson & Sanders 1996).

To guard against this sort of danger of one policy sector attempting to dominate another in the name of holism and coordination, we need to be clear that policy sectors do represent different players or interests. Sectoral interests will have genuinely different perspectives on what it is important to do in Indigenous affairs and sometimes these views will be in conflict. Calls for coordination and a holistic approach to government administration ought not try to eradicate such healthy conflict. The coordination principle needs to be used sparingly and preferably also by central agencies (Painter 1981). This may explain partly why OIPC and its ICC managers meet some resistance when they claim to coordinate officers of other agencies from their sectoral position. Hence the speculation among some Secretaries about possibly dividing OIPC in the future between its genuine coordination roles, placed in the Department of Prime Minister and Cabinet, and its other roles re-allocated to appropriate line departments.

Central agencies like the Department of Prime Minister and Cabinet do clearly have a remit to articulate some sense of government as a whole or coordinated entity, and Peter Shergold is clearly doing that very forcefully now that he is the head of the most powerful central agency. However central agencies must also respect the specialised administrative parts of government, which inevitably do the vast bulk of work in any substantive policy area.

DIVERSITY OF OPINION

We have noted frequently throughout this paper that our interviews revealed quite a range of diverse and even opposing opinions among Secretaries in the SGIA. Some Secretaries saw the new arrangements in Indigenous affairs as a continuation of what they and their departments had been doing for many years, while others felt they were grappling for the first time with Indigenous issues. Some saw Indigenous issues as very complex and needing to be dealt with sensitively and on a long-term basis on a number of different social and economic fronts. Others were more impatient and more simply focused on single actions, such as

getting Indigenous people into jobs or increasing the police presence in Indigenous communities. Some saw current budget and financial accountability arrangements as restrictive and a problem, while others thought they already had the necessary degree of financial flexibility to do what was needed. Some were supportive and committed to having departmental staff in ICCs, while others saw these offices as less well matched to the mode of operation of their department. Some thought that having Indigenous-identified positions in the public service was important in itself, while others felt the focus should be more on an ability to deliver outcomes for Indigenous people irrespective of Indigeneity. Some were enthusiastic about their COAG trial site experiences and wanted to maintain that relationship, while others thought it was time to move on.

This diversity of opinion seems, to us, a healthy aspect of the SGIA. At one level, it reflects a healthy policy sectoralism, where people who are involved in health or education administration think that those are the important issues to address, while people involved in job creation or law and order administration think the same of their concerns. At another level it shows that the general diversity of opinion about Indigenous affairs in the Australian public at large, ranging from a complex social rights view to a more straightforward economic imperatives view, is well institutionalised across the range of agencies in the Commonwealth public sector. Healthy debate and examination of each point of view will hopefully ensure that Indigenous affairs is kept on a reasonably even keel and does not race off on some single minded pursuit of any one course of action. As ATSIC's first Indigenous CEO once noted, in Indigenous affairs there are 'no miraculous solutions' (Turner 1997).

A CONCLUDING COMMENT

We began this paper by quoting Minister Vanstone, who in February 2005 identified two key aspects to the 'quiet revolution' in Indigenous affairs: 'genuinely giving Indigenous Australians a voice' and 'realising that the way we organise ourselves as governments, has been a large part of the problem' (Vanstone 2005a: 2). A lot of what we have reported on in the paper concerns the way in which the Commonwealth government has been re-organising itself in an attempt to deal better with Indigenous issues. Apart from the discussion of SRAs, there is perhaps little in this paper on how Indigenous people are genuinely being given a voice in this re-organisation process and there is clearly a need for further research and debate on this aspect of the quiet revolution.

Within the range of issues surrounding how governments organise themselves, there can be little doubt that, as viewed from the top by our interviewees, there has been considerable innovation in the new Indigenous affairs arrangements. Never before has so much senior executive attention within the Commonwealth government been directed towards Indigenous affairs, both through the SGIA and the Ministerial Taskforce, even if there is still a healthy diversity of views among these senior executives about the nature of the problems being addressed and what needs to be done. Some of the ideas and mechanisms through which this senior executive attention is being directed are not quite as new as they are sometimes portrayed, as ideas of recent years have often been slightly reworked in new circumstances. Also, one irony of this

situation has been that it has been Peter Shergold's extensive involvement in the old arrangements in Indigenous affairs over the previous 10 years which has given him the ideas and knowledge to forcefully shape the new arrangements from his central position of Secretary of the Department of Prime Minister and Cabinet. But there is still considerable innovation and a high level of senior executive attention.

In all these views from the top, however, there is a danger that government could be overstating how much difference its own internal organisation can make to Indigenous affairs. At the conclusion of his address to the National Reconciliation Planning Workshop in May 2005, Peter Shergold asked rhetorically of the new arrangements 'Can it work?' and then gave the following answer:

> In truth I can be only cautiously optimistic. The changes will need to develop progressively, over time. There will be stumbles. There will be learning. It means changing the culture of public administration and, I surmise, the governance of communities. It will require generational commitment to building a partnership between communities and government with ongoing participatory arrangements (Shergold 2005b:4).

In attempting to foresee the future, Shergold's answer goes well beyond the issue of how governments organise themselves, either from the top down or through changes in administrative culture. It also points to the importance of relationships between government and Indigenous communities built over extended periods of time.

NOTES

1. Bill Gray AM was the last Secretary of the Commonwealth Department of Aboriginal Affairs (1988-1990) and founding CEO of ATSIC (1990-1991). He has been active in the field of Indigenous affairs for the past 40 years. He is currently a Research Associate of the Centre for Aboriginal Economic Policy Research at the ANU. Will Sanders has been a researcher working on a variety of Indigenous affairs topics in four departments at the ANU since 1981. He is currently a Fellow at CAEPR and a Chief Investigator on an Australian Research Council-funded Linkage Project with Reconciliation Australia on Indigenous Community Governance (LP No 0348744).
2. As well as the two sources we discuss here, Arabena also points to an 'emphasis on change in the Australian Public Service' as a third (Arabena 2005: 8). This is consistent with our later discussion of Peter Shergold seeing the new Indigenous affairs arrangements as just one instance of moving towards a more whole-of-government approach in public administration.
3. The Ministerial reshuffle of 24 January 2006 will probably lead to the Secretary of the Department of Immigration and Multicultural Affairs no longer being a member of the SGIA and the total number of members of the Group dropping back to 11. The Commonwealth agency with two members of the SGIA will now become FaCSIA.
4. This example was also noted by Government Senators in a Minority Report of the Select Committee (SCAIA 2005: 132-3).
5. For example, two recent accounts of the new arrangements refers to them simply as the 'new mainstreaming' of Indigenous Affairs (Altman 2004; McCausland 2005).
6. Max Moore-Wilton was Peter Shergold's predecessor as Secretary of the Department of Prime Minister and Cabinet.
7. These six unrepresented departments are Treasury, Finance and Administration, Foreign Affairs and Trade, Defence, Agriculture, Fisheries and Forestry, and Industry, Tourism and Resources.
8. The Secretaries of both Treasury and Finance and Administration have attended some SGIA meetings for consideration of the Single Indigenous Budget.
9. Half of this suggestion has now been taken up in the ministerial reshuffle of January 24, 2006, with OIPC moving from a department dominated by its immigration function to one which sees itself as much more about community development. However, the issue of where the coordination elements of OIPC's role are best located has not really been addressed. See our later analysis and commentary.
10. Minister Vanstone also used the Embassy comparison in her National Press Club Address of February 2005.
11. There have been some unofficial evaluations of COAG trials already published which have been less positive in their outlook. See for example Cutcliffe 2004.
12. The Ministerial Taskforce will now be depleted by one member, its former chair and Minister for Immigration and Multicultural Affairs, Amanda Vanstone.

13. Shergold essentially said as much himself in an address to the National Reconciliation Planning Workshop in May 2005. His opening words were:

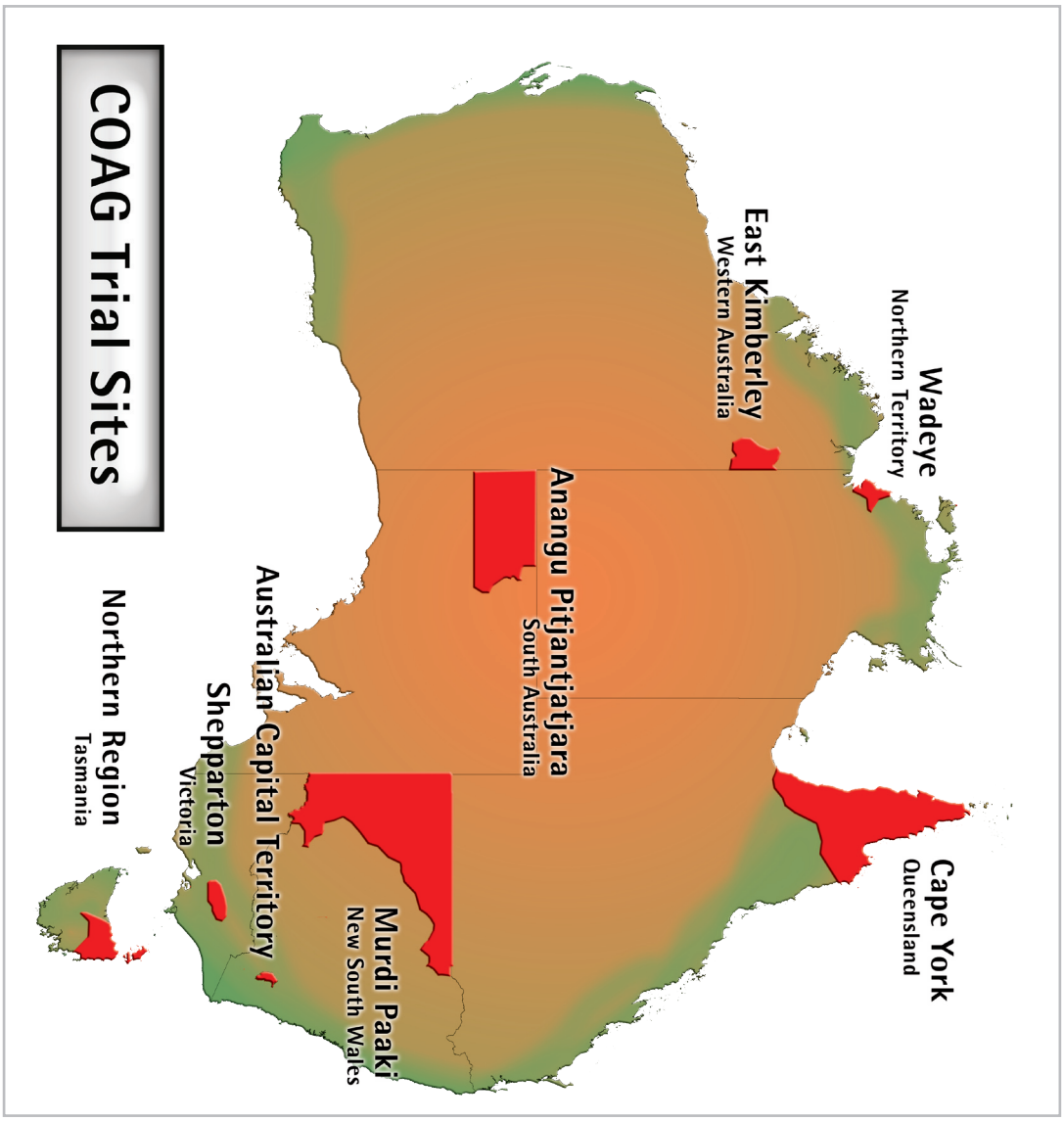
> Off and on I've worked in indigenous affairs for over a decade. I've delivered CDEP and CHIP in ATSIC; the indigenous employment programs in DEWRSB; and a range of indigenous education services in DEST. I've learned a great deal from that experience. I feel lucky to have had the opportunity (Shergold 2005b: 2).

14. For work on this issue which attempted to extend the work of Deeble et al in health to other portfolio areas see Neutze, Sanders & Jones 1999. On the importance of general programmes as a source of resources for Indigenous people see Commonwealth Grants Commission 2001.

15. For an argument along these lines in relation to social security payments see Sanders 2004b.

16. Note here how even after trying to break away from the language of mainstream and mainstreaming, Peter Shergold so easily falls back into it. Alternatives to the use of the word mainstream in this paragraph could be alternately 'general', 'functional' or 'line'.

APPENDIX 1. MAP OF COAG TRIAL SITES



APPENDIX 2. MINISTERIAL TASKFORCE MEMBERS (BEFORE 24 JANUARY 2006)

- Minister for Immigration and Multicultural and Indigenous Affairs (Chair)
- Minister for Transport and Regional Services
- The Attorney-General
- Minister for Family and Community Services
- Minister for Employment and Workplace Relations
- Minister for Education, Science and Training
- Minister for Communication, Information Technology and the Arts
- Minister for Environment and Heritage
- Minister for Justice and Customs
- Minister for Health and Ageing

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