
\$6bn a year fails to help Aborigines

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Indigenous affairs spending worth \$5.9 billion a year is not -delivering results because almost none of the schemes being funded is subject to proper evaluation, the assessment of what is needed is inadequate and some programs are poorly designed and inefficient.

A landmark survey, which for the first time takes account of non-government organisation spending as well as that of federal, territory and state governments in indigenous affairs programs, has found that less than 10 per cent of a total 1082 programs had ever been evaluated.

Of these 88 evaluations, few used methods that could provide evidence of the program's effectiveness, the Centre for Independent Studies found.

It documents annual spending on indigenous-specific programs by the federal government of \$3.28bn, state and territory governments of \$2.35bn and the indigenous not-for-profit sector of \$224 million. It is expected that this third figure will be massively increased once further research takes into account non-indigenous NGO spending in the indigenous sector. Factoring in not-for-profit institutions such as universities could add billions of dollars to the total.

The report describes the figure of 1082 programs as "just the tip of the iceberg".

The CIS study, by researcher Sara Hudson, has found instances such as an East Arnhem Land community with no notable history of suicides being required to undergo a suicide-awareness training program. Not only was the community not consulted about the need for the program, some of its young men had -already been flown to a suicide-awareness program in another community at significant expense two years earlier.

In Western Australia, however, where there is desperate need for suicide prevention work, \$107m earmarked for relevant programs in communities went unspent, the report finds. It documents massive duplication of services, with Roeburne in Western Australia having 67 local service providers and more than 400 state and federal funded programs for a population of 1150; Toomelah in NSW has more than 70 service providers for a population of only 300.

Poor program design had meant that the federal government's Indigenous Home Ownership program's success rate of approving only 75 loans in a year equated to one loan for each -person employed to run the -program. Further, most of these loans were delivered to people who could have qualified for a mainstream loan.

"It's important to ask the communities involved what needs to be done, rather than just telling them what will happen," Ms Hudson said.

"Then, one simple way of -addressing (the evaluation) issue is that evaluations should be funded as a part of the programs, to be performed alongside the implementation of the programs. That way you build evidence as you go. Some programs do this, but far from enough. Without all of this we just can't know how money should be spent." The review notes that of 550,000 indigenous Australians in the 2011 census, 65 per cent were in employment and living lives similar to other Australians; 22 per cent were welfare--dependent and living in urban and regional areas with other welfare dependent Australians; and just 13 per cent, or 70,000, were welfare-dependent and living on indigenous land where education and work opportunities were often limited.

This third group needed the greatest focus and yet most indigenous affairs policy tended to treat the entire indigenous polity as a homogenous group, the -review found.

"Funding must be allocated on the basis of need and not just of -indigeneity," it notes.

The report follows the -Coalition government's drastic reordering of indigenous affairs funding two years ago, when about 150 separate programs were -rationalised from a range of agencies into five streams delivered from the Department of the Prime Minister and Cabinet, and \$500m was cut from the indigenous affairs budget. That process was harshly criticised in a Senate committee report in March that found the government's new arrangements, known as the Indigenous -Advancement Strategy, did not take enough account of indigenous needs, tended to award short-term and ad-hoc contracts to the detriment of the communities the programs were supposed to assist, and had not adequately informed indigenous Australians how the new arrangements worked.

An Australian National Audit Office assessment of the IAS is due in December. The CIS report makes clear that without proper assessment of outcomes, it is impossible to know which programs are vital or productive, and it questions whether the federal government will be able to meet its budgeted expenditure under the IAS of \$4.9bn over four years, given that \$3.85bn will have been spent in the first two years. It also notes that while NSW, with the highest Aboriginal population of any state or territory, had the highest number of grant recipients, the monetary value of these grants was lower than those allocated to Queensland, the Northern Territory and Western Australia combined.