

## Indigenous drive at 'dead end': Warren Mundine and Noel Pearson

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Cape York indigenous leader Noel Pearson: 'We've reached the kind of dead end of indigenous affairs presided over by a minister and a department'. Picture: Ray Strange

Decades of failure to deliver substantial improvements in the wellbeing of indigenous Australians have left two of the nation's senior Aboriginal leaders calling for radical new approaches of the type not seen since the Northern Territory intervention.

Malcolm Turnbull is understood to be urgently seeking novel ideas to break the deadlock ahead of what is expected to be another damning Closing the Gap report, due to be released after parliament resumes next week.

At the first meeting of the Indigenous Advisory Council held under his leadership late last year, the Prime Minister challenged those present to introduce disruptive thinking and innovation to indigenous affairs. Among ideas put forward were significant changes to economic development, welfare and education programs, including coercive measures to penalise state and territory governments for not implementing their rules requiring all children to attend school daily.

In a provocative address to the National Press Club yesterday Cape York leader Noel Pearson identified a "deep crisis" in indigenous affairs governance, saying the system had remained broadly static for 25 years and that it had failed to meet Aboriginal expectations for half a century. "We have a minister, we have a department, and they do good, but they do not do enough," Mr Pearson said.

"And a system that's premised upon kind of bureaucratic determination with ministerial imprimatur and so on is not one that is going to empower our people.

"We've reached the kind of dead end of indigenous affairs presided over by a minister and a department.

"Sorry. I'm not saying that the people involved are insincere. It is just that the system by which they attempt to deal with our communities is not one that works.

"It can't discern excrement from clay. It just cannot."

He appealed to what he called the "radical centre" — personified by the likes of Nick Xenophon, Tim Costello and Natasha Stott Despoja — for support.

*The Australian* can reveal that Mr Turnbull has privately sought advice from indigenous leaders ahead of his forthcoming Closing the Gap statement. He is understood to have encouraged some to think more boldly than they have in the past.

Indigenous Advisory Council chairman Warren Mundine said that unless children were going to school and adults to work regularly — two goals Tony Abbott sought but struggled to realise during his prime ministership — little else could be achieved.

A divergence of views appears to be emerging between Mr Pearson and Mr Mundine on the best way forward.

Mr Pearson favours governance reforms encapsulated by his Empowered Communities model, which would "minimise" the need for a dedicated minister and department by empowering indigenous people to direct and administer services provided for their benefit.

In his speech, Mr Pearson attacked politicians, bureaucrats and others he said had failed to give Empowered Communities proper consideration. He likened the experience to "casting pearl under swine" and regretted his own decision not to enter politics, saying he had reached the limit of what could be accomplished by "barking from the outside".

Mr Mundine said he had largely lost faith in politics and governance reforms, and that exposing indigenous people to entrepreneurialism and for-profit private enterprise was key.

"When we talk about the nation we talk about having an economic strategy ... but when we talk about indigenous affairs it's always putting lipstick on a pig — trying to dress up welfare," Mr Mundine said.

"Entrepreneurialism is the only thing that's going to create jobs. Nothing else does."

Among the expert opinions offered to the Prime Minister is one that cashless welfare, income management, job-creation programs and Empowered Communities, regardless of their value, all have government dependency at their core.

The Indigenous Enterprise Development Fund should be reconfigured as an independent venture capital fund closed to not-for-profit and charitable applicants, partly to avoid governments picking winners.

Although the Indigenous Procurement Policy has achieved some gains, demand for indigenous ready labour is not yet matched by supply, creating a material risk of employers setting up phony joint ventures and "black cladding" their contracts with ghost staff.

Mr Turnbull has been advised to establish a firm target of getting all indigenous children into daily education by the end of this year.

The Australian has been told school attendance initiatives are being hampered by the failure of states and territories to provide reliable data. It is suggested funding should become conditional on provision of reliable data and that states and territories should be fined for failing to adequately resource schools and for failing to get students to attend regularly.

Kimberley Aboriginal leader Wayne Bergmann praised Mr Abbott's decision to move the indigenous affairs portfolio into the Department of Prime Minister and Cabinet. The decision has been criticised by others as overly disruptive.

Another proposal expected to be put before Mr Turnbull would use data to identify and intensively support households believed to be responsible for causing more than their share of trouble in communities.