

RESEARCH NOTE

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ATSIC Review: Complex Challenges, No Simple Solutions

Background

In November 2002, Immigration and Multicultural and Indigenous Affairs Minister, Philip Ruddock, announced a broad review into the current roles and functions of the Aboriginal and Torres Strait Islander Commission (ATSIC). The Minister appointed a panel comprised of Reconciliation Australia co-chair, Jackie Huggins, former Labor Senator and Minister, Bob Collins, and former NSW Liberal Attorney-General, John Hannaford, to conduct the review.

After six months of consultations, submissions and deliberations, the review panel handed a discussion paper to Minister Ruddock in June 2003.¹ This paper provides a brief summary of the discussion paper's key points and themes.

Overview of the Discussion Paper

The discussion paper canvasses a range of underlying issues which relate to ATSIC's roles and current performance. It focuses on a series of issues which will need to be considered in devising the most appropriate and effective arrangements for the delivery of Indigenous programs and services, and the most effective means of facilitating Indigenous involvement in this process. The discussion paper outlines four possible future models for a 'new ATSIC' (these are discussed further below).

The discussion paper outlines a number of principles which should underpin any future reforms to ATSIC. These include:

- that ATSIC should be the peak national and State/Territory

advocate for the 'development of Indigenous communities'²

- the need to strengthen the role of ATSIC regional bodies in policy development and coordination, and
- the need to strengthen ATSIC's role in monitoring and evaluating the performance of all agencies responsible for delivering Indigenous programs.

Is ATSIC Corrupt and in Crisis?

Media headlines of the discussion paper's release suggested that the Review Panel had painted a picture of ATSIC as 'crisis-hit',³ and a 'corrupt shambles'.⁴

The discussion paper was highly critical in some respects, particularly of ATSIC's current leadership: it said that 'ATSIC has reached a crisis point in respect of its public credibility and with its Indigenous constituency'.⁵ The Review Panel had also heard in its consultations and in submissions that 'the current leadership was considered to have reduced ATSIC to a disreputable state of affairs', and that the ATSIC Board seemed 'unable or unwilling' to deal effectively with this situation.⁶ Nonetheless, the discussion paper's release was strongly welcomed by the ATSIC Board.⁷

The discussion paper did not, however, describe ATSIC as a 'corrupt shambles', as some media reporting suggested. Rather, in commenting on the uniqueness of ATSIC's structure—in particular its current responsibility for advocacy, representation, policy advice and program delivery—the Discussion Paper commented that:

Adoption of such a structure for the delivery of political advocacy and publicly funded services and programs would never be contemplated ... for mainstream Australia. If groups of backbench Members of Parliament across Australia were personally making public funding decisions over 'work for the dole' schemes, sporting clubs etc, there would be, at least, perceptions of a corruption-ridden shambles within months.⁸

The Head of the ATSIC Review Secretariat pointed out in response to media reporting that the comments of the Panel 'related to the nature of the structure of the organisation and not to any behaviour of the organisation or of the people operating within it'.⁹

Key Themes

The very scope of the issues canvassed by the discussion paper makes clear that the challenges confronting ATSIC are many and complex. However, it is possible to identify a number of key themes contained. These include:

- That there is overwhelming support in the Indigenous community for an organisation such as ATSIC, albeit that there is some dissatisfaction with ATSIC's current performance.
- That ATSIC's role needs to be clarified: 'The single strongest message to emerge [from the Review] was that ATSIC's role in the Commonwealth is now unclear, a dynamic affecting its capacity to perform effectively'.¹⁰ Specifically, the roles and functions of ATSIC's elected bodies (the Board and Regional Councils) and the

relationships between them need to be more clearly defined.

- That ATSIC should be the principal source of policy advice for the Commonwealth Government on Indigenous affairs, and should be utilised more by State and Territory governments. At present, however, ATSIC lacks the capacity to provide effective policy advice and 'to influence governments at all levels'.¹¹
- That a major factor in the lack of clarity about ATSIC's role, and subsequently its poor performance in some areas, is due to tensions between competing priorities: for example, between advocacy and program responsibility.¹²
- That good governance is seen as an important issue by many stakeholders within ATSIC. In this regard, there is considerable support for the Government's decision to establish Aboriginal and Torres Strait Islander Services (ATSIS),¹³ which separates policy development and advocacy from decision-making about individual grants, funds and programs (ATSIS will now administer the majority of the \$1.2 billion budgeted for ATSIC-related expenditure in 2003–2004).
- That the lack of women in ATSIC's elected positions is a significant problem.

- That there needs to be a more coordinated approach to Indigenous program delivery.
- That there needs to be more emphasis on needs-based targeting of resources and programs.
- That whichever model is adopted in future, it needs to allow for more flexibility to cater for the differing needs and interests of Indigenous communities. The current model is underpinned by a 'one-size-fits-all' approach which fails to reflect particular cultural and other local factors.

Models for a 'New ATSIC'

The discussion paper outlines four potential future models, all of which are based on the key principles discussed above.

The **status quo or 'parliamentary' model** makes permanent the separation of policy development from budget control introduced by the establishment of ATSIS. ATSIC's roles and responsibilities would be more clearly defined.

The **Regional Authority model** replaces the existing ATSIC Regional Councils with a smaller number of Regional Authorities, which would be responsible for preparing regional plans, determining criteria for funding decisions, and reporting on outcomes.

The **Regional Council model** retains the existing Regional Council structure, incorporating the same roles and responsibilities for

the elected arm as the Regional Authority model.

The **devolution model** would devolve responsibility for Indigenous-specific programs to Commonwealth and State/Territory departments and agencies. ATSIC would become primarily focused on policy development.

The Review Panel did not express a view about its preferred model.

Where to now?

The Review Panel is now inviting submissions and will be holding further consultations on the issues raised in the discussion paper, before delivering a final report to the Government later this year. It is likely that whichever path the Government chooses to take following the review, some changes to the ATSIC legislation will be required.

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1. The Review of the Aboriginal and Torres Strait Islander Commission Public Discussion Paper (2003) is available on the ATSIC Review's website: <http://www.atsicreview.gov.au/>.
2. *Review of the Aboriginal and Torres Strait Islander Commission Public Discussion Paper*, p. 6.
3. Debra Jopson and Mark Metherell, 'Aborigines losing faith in crisis-hit ATSIC: report', *The Sydney Morning Herald*, 19 June 2003, p. 4.
4. Misha Schubert, 'ATSIC a "corrupt shambles"', *The Australian*, 19 June 2003, p. 1.
5. *Review of the Aboriginal and Torres Strait Islander Commission Public Discussion Paper*, p. 24.
6. *ibid.*, p. 25. Since the discussion paper was released, ATSIC Deputy Chair Ray Robinson has resigned from that position. The Minister has asked Chairman Geoff Clark to show cause as to why he should not be sacked over allegations Clark misled him over a taxpayer-funded trip to Ireland. The Minister is now reported to be considering Mr Clark's response.
7. ATSIC Board, 'Board welcomes Review's support for a "new ATSIC"', Media Release, 19 June 2003.
8. *Review of the Aboriginal and Torres Strait Islander Commission Public Discussion Paper*, p. 12.
9. Mark Cunliffe, 'Letter to *The Australian*', 24 June 2003, [ATSIC Review website](http://www.atsicreview.gov.au/).
10. *Review of the Aboriginal and Torres Strait Islander Commission Public Discussion Paper*, p. 37.
11. *ibid.*, p. 36.
12. For further discussion on this issue see: Angela Pratt, 'Make or Break? A Background to the ATSIC Changes and the ATSIC Review', *Current Issues Brief no. 29*, Department of the Parliamentary Library, 2002–03.
13. *ibid.*