

How Peter Costello became a Cape crusader

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FIVE months ago, Peter Costello sat with the justice group at the remote indigenous community of Aurukun on Cape York and heard the case for really radical welfare reform from Rebecca Wolmby.

Over a cup of tea, the great-grandmother and respected Wik elder told the Treasurer how too many parents were not taking responsibility for their children, squandering their family and parenting payments on gambling and alcohol.

"Nowadays, mothers and fathers, they don't worry about their child. I've seen this with my own eyes and every one of us here will see it," she said, her despair palpable.

The message from elders in other North Queensland communities was the same, prompting Costello to express in-principle support for Cape York leader Noel Pearson's call for a re-direction of welfare payments from "bad parents" to family members who will take responsibility.

Now, the Treasurer has expressed that support in writing in *Looking Forward*, the "journal of ideas" of South Australian Liberal MP, Andrew Southcott, declaring that if welfare is encouraging the breakdown of the family "it is time to intervene and stop it".

More than that, Costello says the principle of directing family payments to family members prepared to be the "primary support carers" should be applied to the non-indigenous community as well.

Critics yesterday branded the contribution a "clumsy attempt at political diversion" from the controversy prompted Robert Gerard's resignation from the Reserve Bank board. The Brotherhood of St Laurence warned that Costello's views would send "a shudder of apprehension through ordinary struggling Australian families".

But the truth is that the call is neither a cynical political ploy nor a cause for alarm.

If Costello is open to criticism on the issue, it is that his thinking on precisely how to respond to the elders' call for action has not progressed very far since the Cape York visit.

The same cannot be said of Pearson, whose address to the National Press Club in Canberra last week signalled that his Cape York Institute for Policy and Leadership has been working hard to translate a provocative idea into public policy.

While conceding that more work was required, Pearson identified what should be the

key features of the reform - that they be implemented on a voluntary, "optin" basis. This avoids the criticism that the policy would racially discriminate if it is imposed on indigenous communities.

He also sees the policy as just one element of a strategy to "ensure that Cape York people have the capabilities to choose a life that they have reason to value".

Pearson sees the policy initially being implemented on a trial basis and insists incentives would be required to encourage communities to sign up for a "new deal" on welfare. This would involve an increase in Government spending in the short-to-medium term, something Costello is yet to acknowledge.

The question of how informed consent could be achieved was not tackled in the Pearson address, though the obvious option would be a plebiscite of the communities, which vary in size from several hundred to a few thousand people.

Then there is the question of who decides if a payment is redirected from a parent to, say, the grandmother who has been caring for the child. One option would be the justice group, which comprises community elders. Another would be to apply a more objective criteria such as school attendance. What to do if a decision is challenged is potentially more problematic.

And there are many other questions, too, including whether incentives aimed at encouraging young people to finish their education and seek employment in the real economy are applied universally, or an attempt is made to tailor them to each situation.

In theory, there is no reason why the principles underlying the changes could not apply equally to the non-indigenous community and there may be geographically discrete pockets of entrenched welfare dependency where the policy could be ultimately applied.

The key point is that the Cape York communities themselves have demonstrated an appetite for change. What is beyond argument is that the plight and the future prospects of indigenous Australians, whether the yardstick be life expectancy, infant mortality, employment or incarceration rates, justifies consideration of what might seem extreme measures.

As Pearson remarked in Canberra last week: "I don't think that indigenous misery should be perpetuated simply because governments want to treat everybody completely in the same way." Having reaffirmed his support for Pearson's aims, the onus is on Costello to help turn them into practical policies.