



1.0 Introduction

In December 2016, the Queensland Productivity Commission was asked to examine how the resources devoted to service delivery in remote and discrete Aboriginal and Torres Strait Island communities can be best used to meet the needs of those communities.

This final report sets out the Commission's key findings and recommendations and proposes a reform agenda—through structural, service delivery and economic reform—that puts communities at the centre of the service delivery system, focuses on performance and is supported by effective capacity and capability building.

1.1 What has the Commission been asked to do?

Around 40,100 Indigenous Queenslanders live in remote and discrete Aboriginal and Torres Strait Islander communities (Queensland Government Statistician's Office 2016).

Investments by government, the private sector and not-for-profit organisations significantly affect the lives of people living in these communities. The Queensland Government plays a central role, setting policies, and delivering programs and services across areas such as child and family services, health, education and training, employment, housing, community safety, native title, and land management.

Many innovative and successful programs have been implemented by, and for, these communities; but the outcomes for some programs and services are not meeting the expectations of communities, service providers, government, or the community more broadly.

In this context, the Commission was asked to undertake an inquiry into service delivery in Queensland's remote and discrete communities and investigate and report on:

- levels and patterns of government investment and how these change over time
- interactions between investments made by all levels of government, non-government organisations and third party service providers
- the range and nature of service delivery programs and whether there is duplication or a lack of coordination
- best practice approaches for evaluating the effectiveness and efficiency of service delivery
- an evaluation of the design and delivery of existing government services
- investment practices and/or services and programs that are likely to be most effective in improving outcomes for remote and discrete Indigenous communities
- comparisons with other jurisdictions
- recommendations to improve the effectiveness and efficiency of Queensland Government investments and services in achieving social, cultural, economic and environmental outcomes in remote and discrete Aboriginal and Torres Strait Islander communities.

The full terms of reference are available in Appendix A.

1.2 Our approach

This inquiry examines government investments in services delivered to remote and discrete communities to identify what works well, and why, with a view to improving outcomes for Aboriginal and Torres Strait Islander people. The scope of the inquiry is broad and it comes after a long (and ongoing) succession of inquiries, reviews and reports on Indigenous disadvantage.

It was not feasible to provide an in-depth assessment of every policy or program, or replicate other reviews. Reflecting this, the Commission focused on:

- the overarching policy, governance and funding frameworks that apply across all services—but examined service delivery in core service areas in more detail to build an evidence base for what does and does not work
- Queensland Government policy and expenditure—but examined Australian and local government activities where they interact with the investment and objectives of the Queensland Government, and for lessons learned.

Within this context, the key components of the Commission's approach are to:

- estimate expenditure on services (through an aggregate level of expenditure supported by case studies of expenditure/service levels in two communities)
- identify the best framework for service delivery—policy, governance and funding—to support the achievement of outcomes
- identify the key directions for policy and service reform
- review impediments to economic and community development
- determine how to shift evaluation efforts beyond compliance reporting to support service delivery improvements, policy learning and accountability
- identify the key elements of effective implementation to successfully transition and drive the new service delivery framework.

The Commission was guided by the principles underpinning the *Queensland Productivity Commission Act 2015*, which focus on productivity, economic growth and improving the living standards of Queenslanders. In considering factors and making assessments, it adopted a community-wide view that extends beyond the interests of particular individuals or groups.

1.3 Consultation

The Commission operates a public inquiry model, underpinned by open and transparent consultation, which seeks to provide all interested parties with a range of opportunities to contribute. Consultation for this inquiry was conducted in three phases:

- Phase 1—December 2016 to March 2017: inform stakeholders about the inquiry and how to get involved, and include them in determining inquiry scope.
- Phase 2—April to June 2017: identify issues and inform the findings and recommendations of the draft report.
- Phase 3—November 2017: test the findings and recommendations of the draft report and gather further views and evidence from stakeholders.

Consultation with stakeholders took on various forms:

- meeting with over 500 stakeholders—Indigenous leaders, community members, Indigenous and non-Indigenous councils, businesses, service providers, peak bodies, advocacy groups, academic experts, government departments
- community visits to Aurukun, Cherbourg, Doomadgee, Hope Vale, Kowanyama, Lockhart River, Mornington Island, Mossman Gorge, Palm Island, Torres Strait, Woorabinda, Burketown and Yarrabah
- roundtable discussions in Brisbane, Cairns, Cherbourg, Mt Isa, Palm Island and Torres Strait
- 50 written submissions—29 in response to the consultation paper and 21 in response to the draft report.

The full list of submissions and participants is included in Appendix B. A summary of the views and feedback we received is provided in the separate Consultation Summary Report.

The Commission would like to thank all individuals, organisations and communities for providing their views and participating in the consultation process.

1.4 Report structure

The recommendations in this report present a new architecture within which service delivery can be reorganised and reprioritised. The Commission has also identified service delivery improvements across several areas.

The report is set out as follows:

Part A — Service delivery: background and assessment

Chapter two outlines a short history of Queensland’s remote and discrete communities and the current service delivery environment.

Chapter three provides an analysis of the level and pattern of Queensland Government expenditure in the communities.

Chapter four considers outcomes in remote and discrete communities over time and in comparison with other communities.

Chapter five provides an overall assessment of the performance of government policies at a broad level, and why policies fail.

Part B — The way forward

Chapter six is an overview of the reforms, describing the nature of the proposal and key components.

Chapter seven outlines the structural changes to roles and responsibilities in the reform.

Chapter eight identifies the direction for policy reform and improvements to the service commissioning cycle.

Chapter nine considers the role of economic development and what can be done to facilitate employment and growth in communities.

Chapter ten outlines a monitoring and evaluation framework and its role in supporting the reform proposal.

Chapter eleven sets out some practical matters that will need to be considered to implement enduring reform.

Part C — Key service delivery issues

Chapter twelve considers land tenure, use and administration issues.

Chapter thirteen assesses issues around the ownership, construction and maintenance of the housing stock, and possible reforms.

Chapter fourteen outlines the role of municipal services and infrastructure, and considers possible funding models.

Chapter fifteen surveys education and training issues, focusing on significant issues impacting the communities.

Chapter sixteen considers issues related to community safety, including the role of prevention and reaction services, alcohol management plans, and community involvement.

Chapter seventeen provides an overview of health and wellbeing in the communities, and examines some key service delivery issues influencing health outcomes.