

Doling out indigenous grants

Waste and mismanagement only entrenches disadvantage

OVERCOMING entrenched indigenous disadvantage is not a responsibility that should be shouldered by government alone. Working in partnership with business and the community sector, government can, however, provide funding to incentivise education and employment opportunities that provide indigenous Australians with the tools to transform their own lives. Programs that tackle alcohol abuse, violence and welfare dependency can also be important in helping to alleviate poverty and misery. So it is especially disheartening that thousands of government grants totalling more than \$5.5 billion could have been wasted by high-risk organisations or on programs with little or no real benefit to indigenous Australians.

As reported in *The Weekend Australian*, thousands of grants approved by the federal government over the past three years are for amounts worth less than \$5000. The administrative and compliance costs associated with such small grants makes it a highly inefficient allocation of funds. Furthermore, the task of ensuring these funds are properly spent is all but impossible. Essentially, it

amounts to an ex-gratia payment. Grants have gone to organisations assessed to be high-risk, which also increases the likelihood of waste. Some grants have been allocated for peripheral activities such as barbecues that do nothing to help indigenous Australians while some organisations that offer education and training are not providing a guarantee of a job at the end of their placement.

While our reporting has uncovered significant waste and mismanagement in the administration of indigenous funding, there are organisations that are playing a vital role in indigenous communities, such as Generation One and the Australian Indigenous Education Foundation. Both harness government support in partnership with business and the community. By focusing on employment and education, these organisations help provide indigenous Australians with the skills and opportunities that they need in order to lift them out of disadvantage. It is a benchmark that should be kept in mind when the government is doling out thousands of grants that are at risk of being wasted or used for programs that do little to help those who need it most.