

**Cape York Institute**

FOR POLICY & LEADERSHIP

ANNUAL  
REPORT

2011



**Cape York Institute**  
For Policy & Leadership



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# 02

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## About Us



The Cape York Institute for Policy & Leadership (CYI) was established in July 2004, in partnership with the people of Cape York, Griffith University, Australian and Queensland Governments, to champion reform in Indigenous economic and social policy and to support the development of current and future Cape York leaders.

In July 2011, the CYI Board resolved the disestablishment of CYI as an academic centre within Griffith University and establishment as an independent wholly owned subsidiary of Cape York Corporation Limited. On 16th December 2011, this restructure was effected.

CYI sits at the nexus of academia, community development and advocacy – we endeavor to be rigorous, driven and yet practical in the work we undertake. We are guided by the Cape York Agenda: to enable the people of Cape York to have the capabilities to choose a life that they have reason to value.

While we focus on issues in Cape York, we aim to have a national influence.

CYI's Director is Noel Pearson, an Indigenous leader and activist from the community of Hope Vale. CYI's work falls into four key areas: Policy and Research, Cape York Leaders Program, Cape York Welfare Reform and Evaluation.



*Danny Gilbert*

## From The Chairman

The past year has been one of significant change and growth for Cape York Institute and we are now placed in a strong position for the future.

The transition from Griffith University to becoming an independent subsidiary of Cape York Corporation Limited was successfully achieved during the year.

A year ago, CYI resolved to expand its policy thinking and reinvigorate the operations of the Indigenous think tank. This was achieved and CYI can be proud of the progress it has made through innovative policy development and its dedication to developing Indigenous leaders and community driven initiatives.

It is a critical time for ground breaking national Indigenous policy and CYI continues to provide essential support in progressing Noel Pearson's commitment to his vision of a better future for his People and indeed all Australians.

The implementation of Cape York Welfare Reform, a holistic development agenda being trialled in Cape York, is delivering real and sustained positive outcomes. We have seen the restoration of Indigenous authority increasingly being achieved, improved school attendance, and education opportunities. There is much local activism for increased employment opportunities and a determination to break welfare dependency. There is clear evidence of community engagement with the challenges of community and domestic violence.

CYI's work in the months ahead will focus on the next phase of the Cape York Agenda, both regionally and nationally. This work is aimed at tackling the entrenched poverty in many Indigenous and non-Indigenous communities, and finding policy solutions and strategies that provide all Australians with equal opportunities, regardless of their heritage or where they live. It is not an easy task, however one we are committed to.

CYI has proven its relevance and value, there is good staff in place producing quality outcomes, and we are now in a unique position to leverage the good work of the past to design even better policies for the future.

***Danny Gilbert***  
**Chairman**

## From The Director



**Noel Pearson**

2011 was an exciting year for the Cape York Institute for Policy and Leadership.

This year we had a chance to step back and reflect on what progress has been made since the commencement of the implementation of Welfare Reform in 2008 in the Cape York communities of Aurukun, Coen, Hope Vale and Mossman Gorge. We have observed how peoples lives in these communities have begun to improve. In Aurukun, in particular, the rise in school attendance has been heartening. Improved learning outcomes with the implementation of Direct Instruction through the Cape York Aboriginal Academy have been encouraging.

We continue to learn from the Welfare Reform trial. We have learned that effective implementation is as important as good policy design, and that community ownership and leadership of policy innovations are essential for success.

We have begun to consider how we can turn the Welfare Reform system into an Opportunity System. A system that guarantees jobs, that sets up pathways of opportunity for disadvantaged Australians, that creates truly equal opportunities for all, so that a person's background, ethnicity or circumstances do not dictate his or her destiny.

During 2011 I sat on the federal government's Expert Panel for the Constitutional Recognition of Indigenous Peoples. Our work at CYI has lead us to conclude that Indigenous Australians should be recognised in the Australian Constitution.

This year we focused on the need to change and grow and CYI has reached new heights in terms of policy output. We welcomed the Welfare Reform Program Office back to CYI providing greater oversight of the trial. We reviewed the Cape York Leaders Program and will launch a new united program in January 2012.

Our Cape York Leaders Program is raising the standard of achievement in communities. It is pleasing to see secondary and tertiary students graduate and become positive role models within their communities. By reaching their goals, Cape York leaders are creating a legacy of success for Indigenous people within their communities and across the nation.

I am grateful for the commitment of Griffith University since our establishment in 2004. Their support has made a significant contribution to the work of CYI.

Finally I would like to thank past and present Board members for their guidance and strategic direction in 2011, in particular Danny Gilbert for his dedication as Chairperson. Our achievements are largely the efforts of our growing team of valued employees.

Our challenges are by no means small, and to this end, we look forward to your continued support.

**Noel Pearson**

**Director**

## From The CEO



*Gummi Fridriksson*

I am honoured to be back at CYI, leading an energised team and new wave of policy design.

At the beginning of 2011, we set out to revitalise CYI's policy thinking, expand the Leadership Academy, return the Welfare Reform Program Office to CYI and establish an evaluation unit.

2011 was a year of extraordinary growth and transformation. We embraced many changes including the relocation to a larger premises for our growing team, a stronger brand and a new interactive website.

By far our greatest change is becoming a wholly owned subsidiary of Cape York Corporation, confidently positioning CYI for the future. I am thankful to Griffith University for their ongoing support since our establishment seven years ago.

CYI is one of Australia's most innovative Indigenous policy reform designers. In 2011, we expanded our policy thinking to focus on Constitutional Reform, Economic Development, Native Title and Land Reform, Land Use and Natural Resource Management, Social Responsibility and Wellbeing, and Housing. The next phase of Welfare Reform will be a policy priority going forward.

Links between Policy and Leadership have strengthened. The Cape York Leaders Program (CYLP) under the leadership of Fiona Jose continues to achieve outstanding results. A new united CYLP will launch in January 2012. This four-phase approach will bring its members of all ages, talents and pathways together in one program.

I am confident that CYI is in a good position for future success in the years ahead.

*Gummi Fridriksson*

**Chief Executive Officer**

## 2011 Snapshots



Expert Panel

**Kicking the Dust**, 20 year celebration of the Cape York Land Council  
 August



Kicking the Dust

Noel Pearson sat on the Expert Panel for **Constitutional Recognition of Indigenous Australians**  
 April



Graduates

**Cape York Leaders Program** members graduate  
 December



Board Meeting

Mike Winer and Harold Ludwick attend **UNRISD Conference** in Geneva  
 October

UNRISD Conference

**Board Meeting** at CYI's new office  
 July



IYLP Graduation

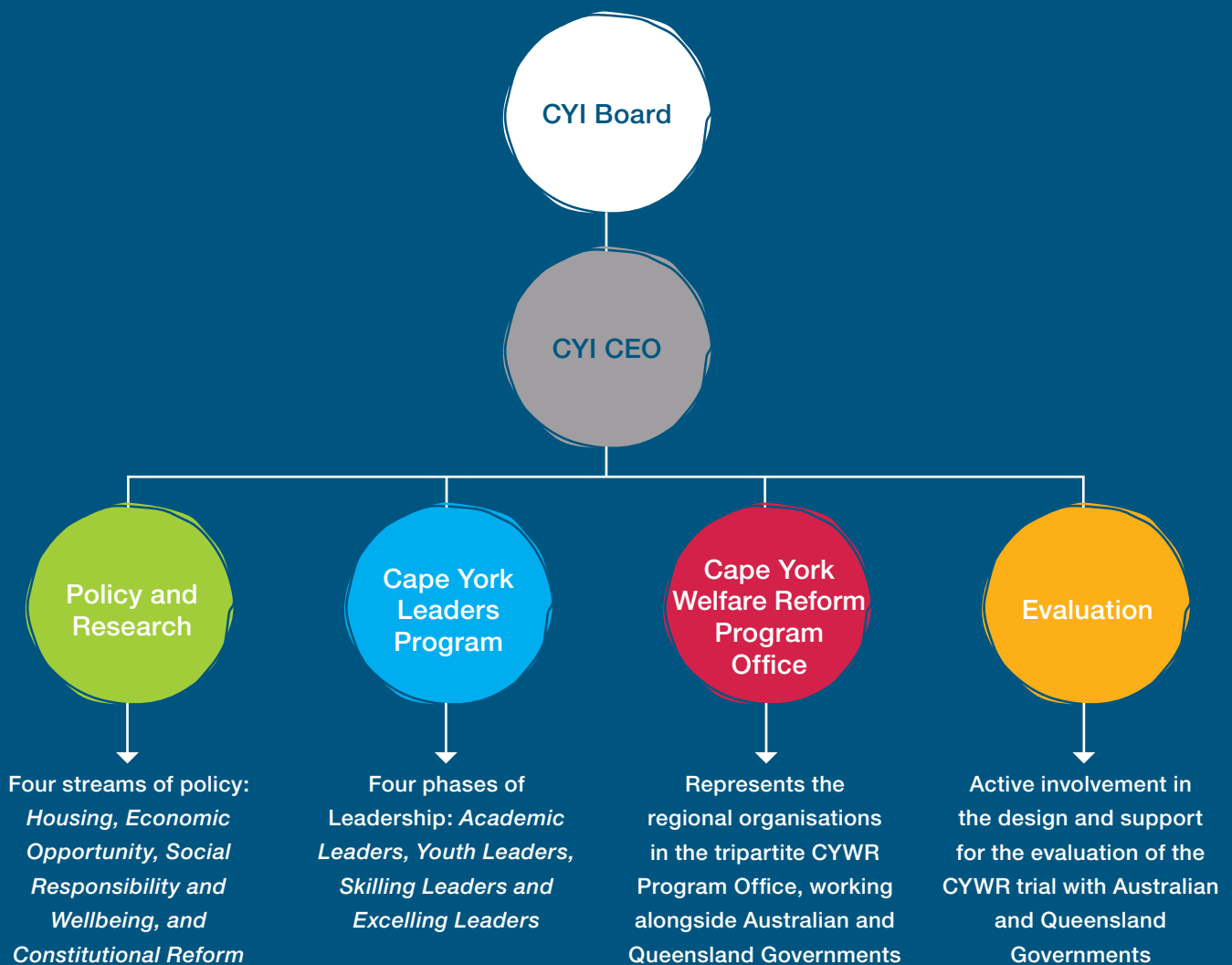
**CYLP Tertiary Workshop**  
 November

Tertiary Workshop

Cape York Institute Students with Minister Garrett at **IYLP Graduation**  
 November



## Organisational Structure



## Restructure

Since its establishment in 2004, CYI has shared a strong partnership with Griffith University. In 2011, CYI launched a full review of its structure, and after careful consideration and consultation a new structure was approved by the CYI Board on 26th July 2011. From the 16th of December 2011 CYI was restructured as an independent wholly owned subsidiary of Cape York Corporation Limited. This new direction allows for greater efficiencies and closer collaboration between CYI and the Cape York Regional Organisations. This move coincided with the relocation to a new premises co-locating with CYP (Cape York Partnerships). CYI has laid a solid foundation for a dynamic future. Under the new structure, CYI will take great strides in ramping up activity across all initiatives.

## Governance

Up until the 16th December 2011, CYI was an unincorporated independent academic centre within Griffith University. The CYI Board was an advisory board. The presence of a senior state and commonwealth public servant is therefore allowed.

On 16th December, CYI was restructured and established as an independent wholly owned subsidiary of Cape York Corporation Limited.

An interim board, chaired by Noel Pearson, was established with members Richard Ah-Mat and Gerhardt Pearson.

## Board of Directors

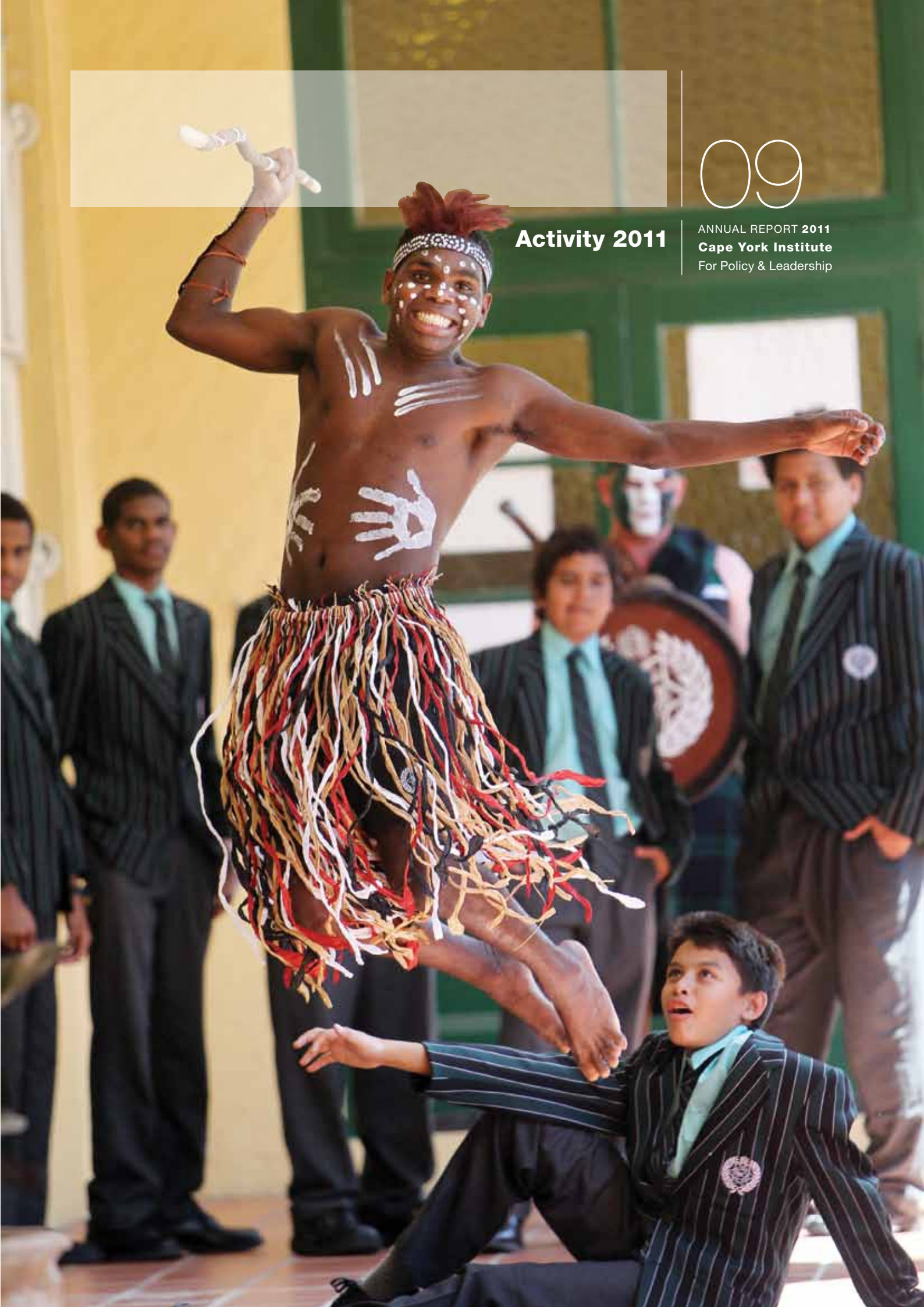


**July Board Meeting – Directors with CYI Staff** Back Row, Left to Right; *Preben Mindamara, Danny Gilbert* – (Chairman) Managing Partner and co-founder of Gilbert + Tobin, *John Bradley* – Director-General Department of Premier and Cabinet, *Gummi Fridriksson, Fiona Jose, Meagan O’Grady, Robert Griew* – Associate Secretary of DEEWR, *Johan Volkerink, Sandy Cameron, Geoff Higham, Alex Harper, Shireen Morris, Tamara Hunting*. Front Row, Left to Right; *Professor Ian O’Connor* – Vice Chancellor and President of Griffith University, *Noel Pearson* – Director Cape York Institute, *Irene Barnard, Imelda Stevens, Richard Ah Mat* – Executive Director Cape York Land Council, *Rick Phineasa, Daireen Dwyer*.

Directors not present in photo; *Lisa Michl* – Professional visual artist from Kowanyama in western Cape York and Normanton, *Professor Marcia Langton* – Inaugural Professor of Australian Indigenous Studies at the University of Melbourne, *Dr Megan Davis* – Director of the Indigenous Law Centre and Professor of Law in the Faculty of Law, University of New South Wales, *Colin Carter* – Senior Advisor to Boston Consulting Group

**Activity 2011**

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## Policy and Research

At the beginning of 2011, Land Use & Natural Resource Management, Social Responsibility & Wellbeing, and Home Ownership were identified as priority areas for policy development. However, as the year progressed, new priorities were identified and CYI's policy design work expanded to include Constitutional Reform, Economic Development, Native Title and Land Reform.

### Land Use and Natural Resource Management

#### Carbon Pricing

In June 2011, a CYI discussion paper on the carbon pricing issues for Cape York was drafted which consolidated arguments around a 'Carbon Gap' in Cape York in relation to government policy. Cape York Peninsula Indigenous communities are facing increasing complex environmental legislation and regulations that are and will have a direct impact on their potential for participating in the emerging carbon economy as well as narrowing the range of other land uses and economic development that can occur. These communities have already made a very significant contribution to Australia's achievement in meeting its Kyoto Protocol emissions target. This contribution has been made through the controls imposed on land use, land use change and forestry.

Unlike other parts of Australia, the fact that historically there has been relatively little land clearing on Aboriginal land in Cape York means that these communities now have limits imposed on future land use change and are also limited in their capacity to market environmental services such as 'carbon sinks'. There may be some opportunities for Cape York Peninsula Indigenous communities under the new Carbon Farming initiative to obtain credit and payment for activities such as savannah burning, forest thickening and feral pig control. There are some potential opportunities to market environmental services in the voluntary market.

In August, CYI submitted a proposal on Carbon Farming Initiative: Enabling Indigenous Participation to the Climate Change Office for consideration. We expect to hear a response to our proposal in early 2012.

#### Feral Pig Management

Feral pig impacts in Cape York are well known and documented, but with short term funding allocations, most initiatives have resulted in minimal population reductions, most of which have been short lived and/or highly localised and undermined by pig reproduction rates exceeding population reductions.

Constant funding and maintenance of coordinated programs is crucial, particularly on the perimeter of World Heritage, National Parks and protected areas, as population levels are likely to return to pre-management levels if funding is withdrawn. Strategic sustained control is required, whereby populations are reduced to a level where benefits are maximised compared to costs.

In November 2011, CYI commenced pre-feasibility policy work on feral pig impacts and the revenue generating opportunities they may provide the Indigenous people of the Cape York Peninsula. The aim is to drive social development in this area while also generating cultural, environmental and economic benefits. This policy work will continue in 2012.

#### Turtle and Dugong

Traditional owners in Cape York have a relationship with turtle and dugong that stretches back thousands of years. These animals are important at a cultural level, and a practical level, as a source of food and other resources. Despite ongoing efforts, Cape York communities have seen their traditional authority to care for and sustainably harvest these animals greatly eroded. This has been to the detriment of both people and animals.

In late August, CYI assisted Balkanu with organising the Turtle and Dugong Management workshop with Cape York Traditional Owners to tackle this complex issue.

Subsequent to the workshop, Balkanu, CYI and Cape York Land Council (CYLC) developed a proposal to fund work on developing a comprehensive approach to reinstating Indigenous authority for turtle, dugong and sea country in Cape York. A proposal was submitted to the Honourable Tony Burke MP in late November seeking funding from the shared Australian and Queensland Governments commitment to support sustainable management of marine turtle and dugong in Queensland. The proposal was received favourably with formal approval of the funding expected in early 2012.

### Payment for Ecosystem Services Markets

CYI's paper titled "The Potential and Constraints on the Payments for Ecosystem Services Markets on Aboriginal Land in Cape York Peninsula" was presented at the UNRISD (United Nations Research Institute for Social Development) conference in Geneva, on 10th-11th October. The paper, which was well received, focuses on the impacts of conservation legislation, complexity and weaknesses with Native Title on green economic opportunities and the proportional impacts of these regimes.

The paper was chosen by UNRISD alongside nine other papers for publication as UNRISD Occasional Papers in the lead up to the Earth Summit in Rio in June 2012.

## Economic Opportunity

### Opportunity System

While the Cape York Welfare Reform trial is generating positive change in the four communities, there has been limited progress in moving from widespread dependency and economic disengagement to economic development.

An Indigenous Development Workshop, organised in collaboration with Jawun and BCG, was held in Sydney on 27th May 2011 at Gilbert & Tobin's offices to discuss the Opportunity System, which is proposed as an alternative to a welfare-anchored system and is seen as the next wave of reform to catalyse Indigenous economic development.

CYI commenced design work in early August with a review of international literature and best practise on reform of the welfare system undertaken to place the Opportunity System within a wider strategy. This has broadened the scope of the work to include payments, requirements and enforcement for those on welfare, the best method to deliver employment services in remote areas and incentives for undertaking employment. The policy team also visited Hope Vale and Coen in September and October respectively, to consult with local providers, employers and community members to gain an understanding of the local context and to cover specific local challenges.

At the invitation of CYI, three Australian economists, Prof. Bob Gregory (ANU), Dr. Simon Quinn (University of Oxford) and Associate Prof. Richard Brown (University of Queensland) visited Weipa, Napranum and Aurukun in early December with CYI staff members. The trip provided valuable insights into the current issues at hand and generated new design ideas for the Opportunity System.

In November, a full-time manager was appointed to lead the project. A recruitment drive commenced in late November with the aim of finding a multidisciplinary team with backgrounds in academia, policy and the private sector across Australia and internationally. The drive was successful with a number of roles filled and staff expected to commence on short-term secondments with CYI from Australian Government, Australian universities and the private sector from late January 2012 onwards.

A key focus of the project is to produce a Social Justice Strategy – a comprehensive summary of elements of the Cape York Agenda most relevant to individuals' engagement with the real economy, laying the foundation for a national policy agenda.

The goal of this strategy is to articulate an alternative to welfare – the Opportunity System – that mandates responsibility and guarantees opportunity for all Australians. In the Opportunity System, individuals' circumstances will not dictate their destiny and all Australians will be able to choose a life they have reason to value.

The Social Justice Strategy seeks to address entrenched welfare dependence and disadvantage through a suite of policy reforms:

- Education, health and housing reform: building children's capabilities.
- Family development: helping parents to take responsibility for their children.
- Universal economic opportunity: work and asset accumulation opportunities for all.
- Welfare conditionality: mandating responsibility for parents and the unemployed.
- Welfare, tax and labour market price signals: making sure work pays and welfare dependence is discouraged.
- Governance reforms: supporting policy implementation on the ground, and restoring law and order in dysfunctional communities.

The reforms will seek to restore social norms and build employment-related capabilities. A key challenge for the reforms will be to address the 'welfare pedestal effect' which creates a sense of entitlement and weakens individuals' incentives to learn, train and earn.

A draft of the Social Justice Strategy is expected to be complete by mid-2012.

### Submission to Senate Economics Committee

In January 2010, the Productivity Commission published their report "Contribution of the Not-For-Profit-Sector." The Senate referred an inquiry to the Senate Economics References Committee into the mechanisms for developing a robust capital market for social economy organisations.

In August, CYI drafted a submission outlining a number of recommendations. Key points in the submission include:

- Changing the way we resource the Not For Profit sector to encourage innovation is our immediate challenge. CYI recommends that up to 20 per cent of current Australian Indigenous service delivery spend should be committed to innovation in line with risk and potential social impact of success in this space.
- Building a broader understanding of social impact is crucial. Quantifying outcomes will be an important component; evaluation techniques that measure efficacy and not just delivery will need to be developed.

CYI presented the submission at the Senate Economics Committee hearing on 23rd September.

## Home Ownership

CYI, together with Cape York Partnerships (CYP), Balkanu and CYLC, continued to seek improvement in land, housing and home ownership policy settings that are controlled by the Australian and Queensland Governments, such as through the alignment of the National Partnership Agreement for Remote Indigenous Housing (NPARIH) with Welfare Reform and home ownership policy objectives for Cape York.

CYI and CYP made a joint submission to the Queensland Government on 31st May 2011 in response to the Queensland Department of Communities' Discussion Paper "Home Ownership on Indigenous Communal Lands Discussion."

The CYI Home Ownership team has provided significant support to other Cape York regional organisations including:

- The design of BAYAN and other housing and home ownership products.
- Supporting the CYLC in its negotiations with the Australian and Queensland Governments on native title consent for social housing, home ownership and economic development.

Policy development is continuing with the Australian and Queensland Governments for the establishment of policy settings that will drive viable and sustainable home ownership and economic development outcomes for Cape York Aboriginal people.

## Constitutional Reform

In late 2010, Noel Pearson was invited to become a member of the Federal Government's Expert Panel for Constitutional Recognition of Indigenous Australians. In February 2011, a small policy team was established to undertake legal, historical and political research and to provide advice on constitutional reform.



CYI's constitutional reform investigations so far have focused on recognition and equality for Indigenous people, building upon CYI's focus on empowerment and personal responsibility. The right reforms will, it is hoped, help create impetus for legislative change to enhance Indigenous equal rights, equal responsibilities, and equal participation in the real economy, thus helping to combat welfare dependency, entrenched poverty and social dysfunction.

Research was undertaken in the following areas:

- Constitutional recognition of Indigenous peoples internationally – comparative studies of relevant constitutional provisions in other countries, tying this into preliminary recommendations for reform of Australia's Constitution.
- Investigation of the various human rights treaties Australia has signed which embody equality and non-discrimination principles, as well as distinct rights for Indigenous peoples, to support reform ideas.
- Study of the relevant case law and the history of the constitutional reform debate in Australia to build the case for removal of racist provisions in the Constitution and insertion of a non-discrimination protection for all Australians.
- Research into implications for Native Title and other Indigenous-specific laws.
- Research into language and cultural recognition, and the need for policies to combat the extinction of Indigenous languages.
- Research into the need for a national review body to monitor all Indigenous-specific laws and special measures.

Two constitutional reform workshops were held with some of the top constitutional barristers and Indigenous rights advocates in Australia. Both workshops contributed to CYI's analysis of constitutional reform options and strategy. CYI also sought formal legal advice on its proposed constitutional reforms.

In September, CYI published its influential submission to the Expert Panel. This submission reflected CYI's policy position on constitutional reform. Our thinking and ideas around constitutional reform have since continued to grow and change.

CYI advocates for the recognition of Indigenous language alongside English as the national language. This is an important recognition of Indigenous heritage. Culture is a difficult thing to legally recognise. But language, being key to culture, provides individuals with tangible knowledge that governments can help to promote and protect. Placing the recognition of Indigenous language alongside English will make this provision politically viable.

CYI also advocates strongly for the non-differential treatment of all Australians regardless of their ethnicity or colour, and therefore for the inclusion of a prohibition against racial discrimination. Australia needs to move away from its current emphasis on 'race', towards an emphasis on need. Every individual should be judged on their merits, and assisted in their needs. A person's 'race' should not entitle him or her to preferential treatment before the law, nor should it subject him or her to adverse treatment.

A shift in national mindset must occur, and a shift in our approach to Indigenous affairs. Indigenous people need to realise their own personal responsibility. But personal responsibility will never be realised if we keep treating Indigenous Australians like a differentiated collective, instead of as individuals. Indigenous Australians must be held to the same expectations and responsibilities as everybody else.

A referendum is hard to win. Without bi-partisan support a referendum will fail. CYI's goal over the coming year will be to win bi-partisan support for our constitutional reform proposals. This is no easy task.

## Social Responsibility and Wellbeing

### Health and Nutrition

Nutrition has been identified as a major concern in Indigenous communities across Australia with many implications for the health and wellbeing of people in communities including poor outcomes in childhood health and the rates of illness such as diabetes, kidney and heart disease.

Of 11 modifiable risk factors, high body mass, physical inactivity and insufficient fruit and vegetable intake account for 11.4 per cent, 8.4 per cent and 3.5 per cent respectively of the total disease burden for Indigenous people.<sup>1</sup> Rates of childhood obesity, child morbidity, and type 2 diabetes for children (particularly for Indigenous children) are high. Chronic disease limits the extent to which people can effectively participate in the social and economic life of their communities. People with chronic disease are less likely to participate in the labour force, less likely to be employed full time, and more likely to be unemployed, than those without chronic disease. Employed people with a chronic disease had a rate of absenteeism almost double the rate for those without a chronic disease.

CYI is currently undertaking health policy research for establishing a holistic framework to improve nutrition outcomes on Cape York. This framework will include policy recommendations and also consolidate recent CYI work on developing specific initiatives, including a proposal to introduce a wet season freight subsidy to equalise prices annually to those communities currently unreachable during the wet season. This policy work is expected to be complete in mid-2012.

### Gambling

While it is often seen as a recreational activity, problem gambling can lead to a range of social problems. The drain on resources from problem gambling contributes to patterns of indebtedness and rapid expenditure, and is often linked to social issues such as alcohol and drug misuse, family violence and child neglect.

Problem gambling is an addiction and should be treated the same way alcoholism and drug addiction are treated. This includes, especially, treatment focused on abstinence. A problem gambler cannot become a responsible gambler. The 'soft' approaches of education and treatment have not worked and we must look to more decisive solutions. Gambling, like any addiction, is driven by five factors: availability, money, time, an example of gambling in the immediate environment and a permissive social norm.<sup>2</sup> To control problem gambling, we must control each of the five factors in addition to helping individuals to change their behaviour.

On 21st September, CYI held a workshop with representatives from the Australian and Queensland Governments, the Family Responsibilities Commission (FRC) and other parties to discuss and secure support for our draft policy strategies to address problem gambling in remote Indigenous communities. The workshop was successful with in-principle support received. There was also agreement that one of the best positive alternatives to gambling is employment.

1. Vos, T., Barker, B., Stanley, L. and Lopez, A.D. 2007, *The Burden of Disease and Injury in Aboriginal and Torres Strait Islander Peoples 2003*, School of Population Health, The University of Queensland, Brisbane.

2. Alcohol and Drugs Working Group. 2000. *Cape York Peninsula Substance Abuse Strategy*. Cairns: Cape York Partnerships.

In early December, CYI finalised its policy platform which recommends the following seven levers:

- 1) Problem gamblers to be able to secure their money in lockable accounts.
- 2) Government to draft a model local law banning gambling, which individual local governments, especially Indigenous councils, can pass.
- 3) The Charitable and Non-Profit Gaming Act 1999 to be amended to allow communities to ban gambling.
- 4) Centrelink to apply the 90-minute rule, such that people are breached if they do not apply for and accept jobs within 90 minutes.
- 5) Community organisations to be supported to provide positive alternatives to gambling circles.
- 6) Individuals to be supported to become mobile for work and employment support provided for long-term unemployed people.
- 7) Government to be open to funding projects and activities housed in and run by the church, including those with explicitly religious content.

CYI will continue to work with local governments to encourage them to pursue bylaws against gambling and will also continue to work with churches to encourage them to build social norms against gambling.

### **Family Violence and Child Reunification**

For a variety of reasons related to entrenched disadvantage, a lack of law and order, and a break down in social norms, family violence occurs at a disproportionately high rate in Indigenous communities compared to non-Indigenous communities. The rate of family violence in Indigenous communities is approximately 8 to 10 times greater than that in non-Indigenous communities.<sup>3</sup> Consequently, the rate of child removal and children living in foster care is higher in Indigenous communities than in non-Indigenous communities.

CYI, with community consultation, is developing a research and policy paper on family violence prevention and child and family reunification. CYI believe that the norms around violent behaviour in the Cape York communities must change. Violence can no longer be condoned, the problem must be confronted, and the silence around this difficult and sensitive issue must finally be broken down. This policy work is expected to be complete late 2012.

3. Louis Nowara, *Bad Dreaming: Aboriginal men's violence against women* (Pluto Press, 2007), 7.



Cape York Leaders Program Team

## Cape York Leaders Program

In 2011, CYI undertook a comprehensive and systematic review of the Leaders Program with the aim of revitalising the program to adjust to its continued growth and popularity. The program strives to build leadership and empower talented Indigenous people of Cape York to 'dream more, learn more, be more'. A new direction was essential to take the Leadership Program to the next level. It is an opportunity to bring together members of all ages, talents and pathways and make the Program's vision a reality. In addition, the transformation will bring greater efficiencies to internal processes and resources as well as provide a more valuable service to its members.

The transformation includes the reconfiguration of the programs – Higher Expectations Program Secondary (HEPTS), Higher Expectations Program Tertiary (HEPT) and Leadership Academy. These core programs will unite to form the Cape York Leaders Program, consisting of four distinct phases: Academic Leaders, Youth Leaders, Skilling Leaders, and Excelling Leaders, as illustrated:



## Leadership



*Graduating Secondary Students; Jaidyn Yeatman, Stephen Minniecon & Cruz Reys*

The Leaders Program values the contribution its members make to their community, family, work places and in all areas of their life. For this reason, the newly adopted four-phase strategy builds skills that are appropriate to various leadership roles and provides members with the option to complete their leadership education through a single phase or progress to another phase.

An important part of the review was to rebrand the program. A new look Cape York Leaders Program was launched in December 2011. The new brand better represents the program vision and offers a strong, professional standard, which models the expectations of the program staff, partners and students.

Continuous quality improvement will carry on throughout 2012 to ensure the program achieves its set objectives. While we are looking to consolidate program delivery, the demand for scholarships continues to grow.

### Academic Leaders Secondary and Tertiary

In 2011, the Leaders Program achieved a record number of new member enrolments for the Secondary and Tertiary Programs.

#### Secondary Program

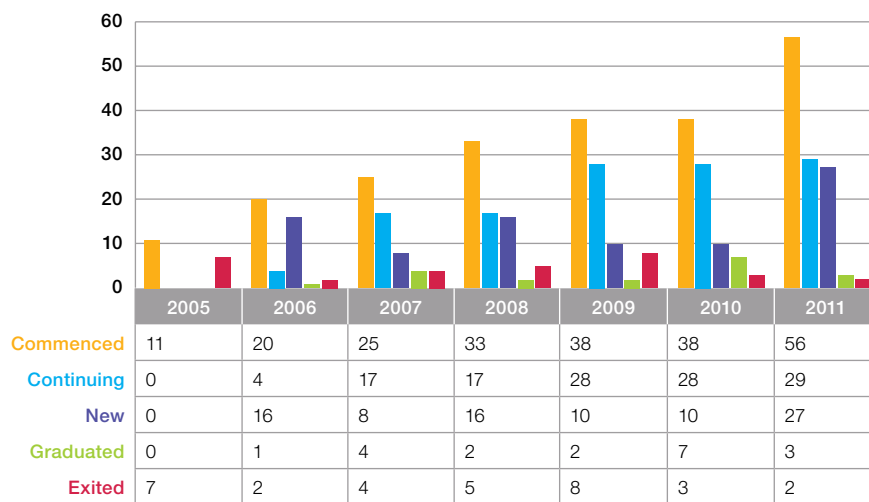
The partnership between the Department of Education, Employment and Workplace Relations (DEEWR) through its Indigenous Youth Leadership Program (IYLP), the Macquarie Group Foundation, and CYI, enables and assists talented Indigenous Australian students, from Grade 8 to Grade 12, to attend Queensland's leading boarding schools. Students achieve academic excellence through a supported environment, and secure a solid future through tertiary education.

Research shows that on average Cape York Indigenous students significantly under perform compared to both non-Indigenous students and the statewide Indigenous average. Across year levels, they are between two and four years behind the non-Indigenous average.

The Leaders Program is, by every measure, addressing this education crisis in Cape York.

In 2011, the Secondary Program welcomed 27 new students, from 15 of the 18 partnered Indigenous communities, increasing student numbers to 56.

## Secondary Student Enrolments 2005-2011



The success of this phase is due to a number of factors including the initial selection of participants; intensive and on-going case management; selection of appropriate tutors, mentors, and support officers; high standard and supportive educational and training institutions; development of strong relationships with stakeholders; extra-curricular leadership activities; and committed staff.

### Highlights

- Two-day parent conference held with 65 attendees. The objectives of the conference were two-fold: empower parents to take the lead role in their child's education and challenge schools to have the same 'higher' expectations that CYI has of its students. Feedback from all stakeholders was very positive and in fact, resulted in a 20 per cent decrease in school/parent calls. This event will become a key fixture on CYI's calendar going forward.
- CYI Student Support Officer and Year 10 students attended the annual Year 10 Indigenous Youth Leaders Gathering at Yulara, NT. Students participated in team building, met with tertiary leaders, played music, danced, took a trip to Kata Tjuta and explored Uluru.
- 2012 recruitment drive received an overwhelming 65 applicants for a possible 22 available scholarships.

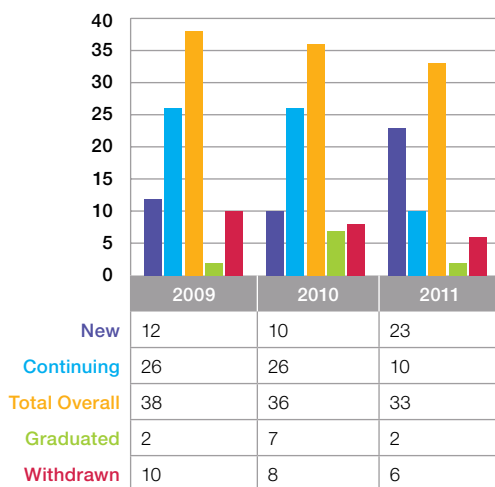
### Tertiary Program

Our tertiary scholarships are offered in partnership with the DEEWR through its IYLP, the Erica Foundation, and CYI. The Tertiary Program assists students to strengthen their academic, social and emotional capabilities so they can excel and prosper within the workforce.

Students attend universities along the east coast of Australia from Cairns to Melbourne. Students study many different disciplines including Business, Law, Nursing, Social Work, Education, Health and Wellbeing.

In 2011, a strong focus of the program was placed on providing academic support to tertiary students. Regular student reviews were conducted to assess student progress and implement required support. Students were involved in a number of Leadership Academy workshops encouraging them to develop greater leadership skills and confidence.

### Tertiary Student Enrolments 2009-2011



*It is important to highlight that withdrawals in 2011 were due to four students being offered mining scholarships of greater value and two students falling pregnant.*

### Highlights

- Two-day student induction workshop held in Cairns in May, equipping members with the skills and tools needed to succeed at university.
- 16 students attended the Tertiary Leadership Workshop focused on career development.
- Scholarship students attending JCU established a student corporation called Bama Nguma Burra and hosted their first event in May, titled "Reconciliation Night".
- Leadership Director, Tertiary Manager and students attended the IYLP tertiary gathering in Sydney, hosted by DEEWR. Tertiary students were great ambassadors for the program.
- Individual tertiary students were exposed to a range of leadership opportunities across our nation and internationally, which has an enormous impact on their development.

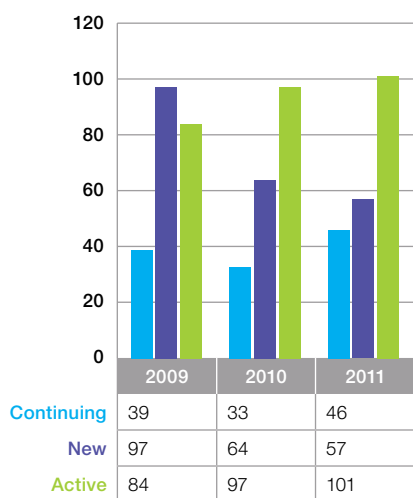


## Skilling, Excelling and Youth Leaders Phases

The Leadership group has provided many Indigenous Cape York adults with specialised training and support to become motivated leaders and role models. From January 2012, this program will step boldly in a new direction ready to embrace future opportunities for its members. Now branded Skilling, Excelling and Youth Leaders, these three phases will offer customised programs.

A new four year timetable has been created so members can choose to progress in a phase suitable to where they are at in their life. The phases offer Cape York people of different ages and backgrounds access to leadership opportunities.

### Leadership Academy Enrolments 2009-2011



### Highlights

- Approximately 40 members attended four separate two-day workshops during April to June quarter. Workshop themes included developing leadership skills and motivation for excellence; information technology – establishing networks; influential leadership; and governance and financial responsibility.
- The Academy was involved in four key projects, three of which are linked to CYI policy: Family Violence, Removal of Children, Healthy Nutrition, ABS 2011.
- 30 members attended the second community held workshop “Leading and Managing – What’s your journey?” in Northern Peninsula Area (NPA) in August which was a great success and an opportunity for members from the NPA to host the group.
- Two workshops focused on strategies and principles of communication were held. These workshops explored public speaking and conflict resolution.
- There were a range of personal journeys of success experienced in 2011: individual members representing Cape York at the United Nations Conference in Geneva Switzerland, travelling interstate and working with Aboriginal communities, starting a new business and launching a career as an artist.



In April 2011, the Cape York Welfare Reform Program Office transitioned to CYI. The decision to return the Program Office from CYP to CYI came with an expected strong focus on policy development in the progression to the Development Phase (Phase II) of the CYWR trial in the existing CYWR communities coupled with the appointment of Gummi Fridriksson to CYI as Deputy Director.

During 2011, the CYWR Program Office continued to provide oversight of the trial and work closely with CYI on policy development.

### Highlights and Key Achievements

On 19th August and 5th October, Australian and Queensland Governments respectively announce support for a one year extension of the CYWR trial to December 2012.

#### ***Enable our children to achieve their full potential, talent and creativity and enjoy the best of both worlds:***

- Cape York Aboriginal Australian Academy (CYAAA) commenced in Hope Vale.
- Term one school attendance highest in over nine years with Aurukun recording 73.5 per cent and Hope Vale 89.9 per cent.
- Significant improvement in literacy and numeracy achievements using Direct Instruction.
- Over half the students in the Aurukun CYAAA campus are improving at rates higher than expected in a mainstream class.
- 95 per cent enrolment in non-compulsory Club and Culture programs of CYAAA.
- Student Education Trusts (SETs) contributions total over \$1m and over 700 trusts in place across the four CYWR communities.
- School attendance rates continue to grow in Aurukun. Coen regularly achieves over 93 per cent attendance.

#### ***Restore Indigenous authority:***

- The FRC is supporting local and emerging leaders in Local Commissioner roles to make decisions, model positive behaviour and express their authority outside of the FRC.
- An increasing number of FRC conferences have been conducted independently by Local Commissioners.

#### ***Building social norms:***

- The annual rate of reported offences has decreased across all CYWR communities since the start of the trial (data representative up until June 2011).
- The annual rate of hospital admissions for assault related conditions per 1,000 residents has roughly halved across Aurukun, Coen and Mossman Gorge since the start of the trial (data representative up until June 2011).

#### ***Engagement in real economy:***

- MPower, a money management program, launched.
- Opportunity Hubs open in Aurukun and Mossman Gorge.
- Construction on Mossman Gorge Gateway and Hope Vale Business Precinct commenced.

#### ***Home Ownership, Land Reform and Economic Development:***

- Two houses complete in Hope Vale through housing project Bush Owner Bob (BOB).
- 63 backyard renovations complete through Pride of Place, since its launch in October 2010.

The original design of Welfare Reform included an evaluation of the CYWR trial. In late 2010, the CYI Board discussed the establishment of an in-house evaluation capability and work program with the ultimate aim of becoming a financially self-sustaining function seeking contracts from State and Australian Governments post the CYWR trial.

In March 2011, CYI submitted a formal funding submission to the Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) and a funding agreement was signed in late June. Recruitment for an Evaluation Manager commenced in July and the role was filled internally after an unsuccessful external recruitment drive.

The primary focus of the in-house evaluation department is active involvement in the design of and support for the independent evaluation of the CYWR trial in collaboration with Australian and Queensland Government partners. A key element of CYI's contribution has been the development of Program Logics to underpin the analysis of both the progress and outcomes of the evaluation by linking the overall CYWR vision and mission to the outputs and outcomes of Welfare Reform. This work was progressed in the second half of the year with finalisation expected in early 2012.

As part of the Evaluation Steering Committee and Evaluation Working Groups, CYI has contributed to the independent analysis of what has worked to date and not worked as well. It is envisaged that this work will play a key role in feeding into the development of an interim report, similar to the "From Hand Out to Hand Up" report, which will provide sufficient evidence to both governments to justify CYI's proposal to progress to the Development Phase (Phase II) of the CYWR trial in the existing CYWR communities and expand the trial to new Cape York communities.

It is expected that the majority of the evaluation work will occur in 2012.



**2011 Financial Statements****Griffith University**

Cape York Institute For Policy And Leadership

Statement Of Receipts And Expenditure – For Period 01/01/2011 – 31/12/2011

<b>Income</b>	Queensland Government Funding	500,000	
	Commonwealth Government Funding	500,000	
	Other Projects/Programs	1,755,670	note 1
	Sundry Income	2,408,536	note 2
	<b>Total Income</b>	<b>\$5,164,207</b>	
<b>Expenditure</b>	Salaries	2,177,229	
	Advertising and Promotion	63,778	
	Appointment Expenses	36,568	
	Consultancy	52,091	
	Consumables	8,489	
	Equipment and Furniture	182,658	
	Hospitality	46,100	
	Maintenance	62,291	
	Motor Vehicle Expenses	27,985	
	Other Expenses	3,510,046	note 4
	Overheads	6,561	
	Postage and Telecommunications	67,700	
	Printing and Publication Design	9,219	
	Staff Development	46,437	
	Student Expenses		
	Excursions and Field trips	41,333	
	Homestay Accommodation	1,200	
	Scholarships	905,236	
	Prizes	206	
	Subscriptions and Reference Materials	5,421	
	Travel		
	Staff	252,400	
	Non Staff	165,707	
	<b>Total Expenditure</b>	<b>\$7,668,657</b>	
	<b>Annual Surplus/(Deficit)</b>	<b>(\$2,504,450)</b>	
	<b>Accumulated Surplus/(Deficit)</b>	<b>\$60,520</b>	notes 3

**Note 1** Largely for Higher Expectations and includes Commonwealth funding for IYLP students

**Note 2** Includes donations of \$1.1m

**Notes 3** Cash balance made up of:  
– \$19,950 with respect to Core Funding Agreement  
– \$1,090 with respect to Higher Expectations (Secondary)  
– \$37,292 with respect to Higher Expectations (Tertiary) initiative  
– \$625 with respect to Constitutional Reform  
– \$1,257 with respect to Program Office  
– \$307 with respect to Policy

**Note 4** Includes \$2.9m transferred to the new entity on 16 December 2011

I have prepared the above statement of Receipts and Expenditure in accordance with Generally Accepted Accounting Practices in Australia and certify that it accurately reflects all the income and expenditure related to the Cape York Institute for Policy and Leadership.

I also certify that all funding received was expended for the purpose of the project and in accordance with the contractual requirements; salaries and allowances paid to persons involved in the activity are in accordance with the applicable award.

**R. V. Srinivasan**

**Director, Planning and Financial Services**

**Griffith University**

## 2011 Financial Statements

ANNUAL REPORT 2011  
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 For Policy & Leadership

### Cape York Institute For Policy & Leadership

#### Project Income Statement

For Period 16/12/2011 – 31/12/2011

<b>Income</b>	Unexpended Funds Opening	2,865,097
	Interest Income	4,715
	<b>Total Income</b>	<b>\$2,869,812</b>

<b>Expenditure</b>	Salaries and Oncosts	76,401
	Temporary and Volunteer Staff	4,583
	Other Personnel Expenses	29,651
	Property, Rent and Utilities	
	Travel	
	Motor Vehicles	
	Professional Services	22,862
	Telephone and Communications	2,986
	Other Operating Expenses	20,843
	Finance	
	Expense Recoveries	(15,072)
	<b>Total Expenditure</b>	<b>\$142,254</b>
	<b>Annual Surplus/(Deficit)</b>	<b>\$2,727,558</b>

**Note 1** Figures exclude GST

The above statement has been prepared in accordance with Generally Accepted Accounting Principles. I hereby certify that all funding received has been expended for this Project and in accordance with the Funding Agreement. All salaries and allowances paid have been in accordance with the relevant Award.

**Haruko McGovern**

**Financial Accountant**

**Cape York Institute for Policy & Leadership**

## Public Performances



Leadership Graduation Dinner

### Law and Justice within Indigenous Communities Conference

23 February 2011 – *Noel Pearson*

### Victorian Leadership Development Centre Conference

24 February 2011 – *Noel Pearson*

### Jawun Indigenous Development Workshop

27 May 2011 – *Noel Pearson*

### Indigenous Education, Transitions and Employment Conference

19 July 2011 – *Noel Pearson*

### Origin Energy Conference

14 September 2011 – *Noel Pearson*

### Wild Law Conference

16–18 September 2011 – *Mike Winer*

### BCG Conference

27 September 2011 – *Noel Pearson*

### Australian Children's Trust – Think Tank

17–18 October 2011 – *Noel Pearson*

### UNRISD Conference

10–11 October 2011 – *Mike Winer, Helen Murphy (JCU), Harold Ludwick (CYP)*

### Collaboration through Participation: Social Innovation Summit

10–12 November 2011 – *Gummi Fridriksson, Richard Ah-Mat*

**Noel Pearson – The Australian****Aboriginal referendum a test of national maturity***The Australian* 26 January 2011**Seek indigenous views ahead of full referendum***The Weekend Australian* 29–30 January 2011**US liberal exposed flaw of welfare policies***The Weekend Australian* 12–13 February 2011**Opportunity missed in Gillard's speech***The Weekend Australian* 19–20 February 2011**The smoke must clear before we close the gap***The Weekend Australian* 26–27 February 2011**Proof of welfare's multiple failings***The Weekend Australian* 5–6 March 2011**Djarragun still a beacon of indigenous hope***The Weekend Australian* 12–13 March 2011**Backroom deals bless their wildest dreams***The Weekend Australian* 19–20 March 2011**Ineffectual bipartisanship ruins social policy***The Weekend Australian* 26–27 March 2011**Time given to principals can make difference***The Weekend Australian* 2–3 April 2011**Addition fed by gap between life's rewards***The Weekend Australian* 9–10 April 2011**Sparring tribes miss humanitarian point***The Weekend Australian* 16–17 April 2011**Education and aspiration keys to membership of an open society***The Weekend Australian* 23–24 April 2011**Education guru teaching to the converted***The Weekend Australian* 30 April–1 May 2011**Hats off to Katter's grand plan***The Weekend Australian* 7–8 May 2011**Fielding's furtive turnaround***The Weekend Australian* 14–15 May 2011**Speaking one's mother tongue is vital***The Weekend Australian* 21–22 May 2011**Down payments on a hope-filled future***The Weekend Australian* 11–12 June 2011**Fledgling school for indigenous students mustn't be allowed to fail***The Australian* 27 June 2011**Social policy begets social misery as the Western world fails the poor***The Weekend Australian* 30–31 July 2011**Taking our culture on the road of Adam Smith***The Weekend Australian* 6–7 August 2011**Yolngu inspire us to pursue all our ambitions***The Weekend Australian* 13–14 August 2011**US consumers can't buy out of this crisis***The Weekend Australian* 20–21 August 2011**National industry policy needn't always be about picking the winners***The Weekend Australian* 27–28 August 2011**Job-service parasites get rich living off the unemployed***The Weekend Australian* 3–4 September 2011**When outsiders stir up tensions in tribal societies***The Weekend Australian* 10–11 September 2011**Constitutional reform crucial to indigenous wellbeing***The Australian* 24 December 2011

### CYI Policy Publications

Submission in response to Department of Environment and Resource Management (DERM) Discussion Paper

**Aboriginal and Torres Strait 99-year Residential Leases: Valuation methodology Options**

28 February 2011 – *Michael Schuele*

**Radical Hope: education and equality in Australia**

New edition published June 2011

**Remote communities need opportunity, not a live export ban**

*The Drum* 28 June 2011 – *Alex Harper*

**Carbon pricing issues for Cape York**

*Cape York Institute Discussion Paper*  
 June 2011 – *Ian Farrow (Jawun secondee), Mike Winer*

**Payment for Ecosystem Services Markets on Aboriginal Land in Cape York Peninsula, Potential and Constraints**

*United Nations Research Institute for Social Development*  
 October 2011 – *Mike Winer, Helen Murphy (JCU), Harold Ludwick (CYP)*

**Constitutional Reform Expert Panel Submission**

September 2011 – *Shireen Morris*

**Emergency food drops in remote Australian communities**

*The National Times*  
 28 October 2011 – *Alex Harper*

**Indigenous constitutional recognition, non-discrimination and equality before the law: why reform is necessary**

*Indigenous Law Bulletin*  
 November 2011 – *Shireen Morris*

**Agreement-Making: the need for democratic principles, individual rights and equal opportunities in Indigenous Australia**

*Alternative Law Journal, Monash University*  
 November 2011 – *Shireen Morris*

**Ecological conflicts in the Cape York Peninsula: the complex nature of the black-green divide**

*United National Research Institute for Social Development*  
 2011 – *Mike Winer, Helen Murphy (JCU), Harold Ludwick (CYP)*

**Environment justice for Indigenous people in the Cape York Peninsula: enabling potential and navigating constraints**

*United National Research Institute for Social Development*  
 2011 – *Hannah Robertson, Mike Winer, Helen Murphy (JCU)*



**Thank You**

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The Cape York Institute relies heavily upon corporate and philanthropic support. Your involvement makes the world of difference in Indigenous policy reform and providing opportunities for our future leaders. Thank you to our sponsors, donors and supporters.

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- **Macquarie Group Foundation**
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- **Jawun**
- **Allens Arthur Robinson**
- **The Aurora Project**



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