



CENTRAL LAND COUNCIL

**Submission to the
Senate Standing Committees on Community Affairs
*Inquiry into the Extent and Nature of Poverty in
Australia***

February 2023

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Recommendations

Recommendation 1: That the Federal Government works closely with Aboriginal communities and organisations to inform the design of a new approach to remote employment. This new approach must focus on local job creation and the strengthening of Aboriginal community-control, reflecting the key elements of the APO NT *Fair Work and Strong Communities* proposal.

Recommendation 2: That the Federal Government work urgently to ensure Aboriginal people living in remote communities are in receipt of the income support payments for which they are eligible, and that this is a matter monitored by the new Economic Inclusion Advisory Committee (see below).

Recommendation 3: That the Federal Government expand access to face-to-face Centrelink service provision, including increasing the number of staffed Service Centres, in Central Australia.

Recommendation 4: That the Federal Government increase income support payments to alleviate deepening poverty in remote communities including:

- i) Permanently and adequately increasing Jobseeker and all other income support payments to keep people out of poverty.
- ii) Increase in the Remote Area Allowance (RAA) to appropriately account for the higher cost of living of remote regions of the Northern Territory, and
- iii) Ongoing indexation of all payments (including the RAA) in line with wage movements at least twice a year.

Recommendation 5: That the Terms of Reference of the new Economic Inclusion Advisory Committee include a specific focus on improving the economic inclusion of Aboriginal and Torres Strait Islander people in remote Australia.

This should include publicly reporting on the levels of income poverty experienced by Aboriginal and Torres Strait Islander people, nationally, by states and territory, and by remoteness, and active monitoring of these trends overtime.

Consideration should be given to how to monitor the proportion of Aboriginal and Torres Strait Islander people eligible for income support payments who are in receipt of those payments.

The Committee's pre-budget review should assess the likely effects of budget measures on reducing disadvantage and improving the economic participation of Aboriginal and Torres Strait Islander people living in remote Australia.

The work of the Committee and any recommendations made to address barriers and disincentives to work should align with the priority reforms of the National Agreement on Closing the Gap, namely, the need for formal partnership and shared decision-making with Aboriginal people and organisations, building the Aboriginal community-controlled sector, transforming government organisations, and sharing data and information at a regional level.

Recommendation 6: That the NT Government reverse the Remote Rent Framework as a matter of urgency, and implement an income-based rent for remote communities and town camps, and then work with the sector to design a fairer rent-setting model.

Recommendation 7: That the Federal and NT Governments adopt the recommendations of the [2020 NT Food Summit](#), which encompass recommendations relating to:

- Governance and leadership
- Housing
- Income and affordability
- Food production
- Stores
- Nutrition and food services
- Infrastructure.

The CLC notes recommendations that echo the CLC's calls in this submission for:

- A new approach to remote employment to replace CDP, focused on job creation and strengthening Aboriginal community-controlled organisations (see **Recommendation 1**).
- Raising the rate of social security payments (see **Recommendation 4**).
- Investment in housing, and essential water, power and road infrastructure (see **Recommendations 7, 11 and 14**).

Recommendation 8: That the NT and Federal Governments work with the NT land councils and Aboriginal Housing NT to develop a new, ten-year tripartite agreement that:

- i) Is of sufficient scale to respond to the demand for housing in the NT and meet the Closing the Gap targets.
- ii) Ensures quality, climate and culturally-appropriate builds.
- iii) Fully-funds both:
 - Preventative repairs and maintenance in remote communities, initially using the HealthHabitat survey-fix model, and then moving to a roster of regular planned maintenance, and
 - Responsive repairs and maintenance to ensure all public housing in the NT is safe and habitable.
- iv) Fully-funds the development and implementation of a comprehensive Aboriginal Housing Industry Development Plan that supports the gradual transition of remote Aboriginal housing back to Aboriginal community control.
- v) Properly funds housing on homelands as part of the housing continuum.

Recommendation 9: That the NT Government bring forward its commitment to move to population-based school funding rather than funding based on attendance.

Recommendation 10: That governments to commit to the provision of secondary schooling in remote communities to at least Year 10.

Recommendation 11: That the Federal and NT Government work with land councils to agree a 10-year National Partnership Agreement on Remote Essential Services.

Recommendation 12: That the NT Government introduce safe drinking water legislation and the establishment of safe drinking water management plans.

Recommendation 13: That the Federal and NT Government fund a co-designed solar program for remote housing in the NT that ensures community benefit.

Recommendation 14: That the Federal and Northern Territory Governments continue to work to address the road infrastructure needs of the NT, and ensure that opportunities for local employment and procurement are embedded in the planning of any road infrastructure projects to maximise local Aboriginal benefit from this investment.

Recommendation 15: That the Federal Government accelerate work to connect remote communities to affordable, reliable and fast phone and internet services.

Recommendation 16: That the Federal and Northern Territory Government commit to a new, trilateral National Partnership Agreement for a future NT Remote Aboriginal Investment Strategy that is of a scale that reflects the need in the NT.

About the Central Land Council

The Central Land Council (CLC) is a Commonwealth corporate entity established under the Aboriginal Land Rights (Northern Territory) Act 1976 (ALRA), with statutory responsibilities for Aboriginal land acquisition and land management in the southern half of the Northern Territory (NT). The CLC is also a Native Title Representative Body established under the Native Title Act 1993 (NTA).

Pursuant to ALRA, more than 50 per cent of the NT and more than 85 per cent of the NT coastline is now held by Aboriginal Land Trusts on behalf of traditional owners. A further 253,886 square kilometres of land and water is also held under native title.

Of the approximately 780,000 km² of land covered by the CLC region, more than half (417,318 km²) is Aboriginal land under the ALRA. In addition, rights have been asserted and won under the NTA, and traditional owners unable to claim land under the ALRA have succeeded in obtaining rights to small areas known as Community Living Areas, under NT legislation.

Through its elected representative Council of 90 community delegates, the CLC represents the interests and aspirations of approximately 20,000 traditional landowners and other Aboriginal people resident in its region. We advocate for our people on a wide range of land-based, economic and socio-political issues to ensure that our families can continue to survive and thrive on their land.

1. Introduction

The Central Land Council welcomes the opportunity to provide input to the Committee's *Inquiry into the extent and nature of poverty in Australia*. The CLC represents approximately 20,000 traditional landowners and other Aboriginal people living in a region that covers more than 780,000 km² of land.

Aboriginal people living in remote communities in the Northern Territory (NT) experience the deepest levels of poverty in the country.¹ The effects of this poverty are pervasive and profound. As highlighted by Markham and Altman (2019), the best epidemiological research available estimates that one-third to half of the life expectancy gap between Indigenous and non-Indigenous Australians in the NT is the result of poverty.² Poverty is quite literally, killing Aboriginal people – and it is Aboriginal people in remote communities who are suffering the most. While nationally, Indigenous poverty rates have been declining slowly over the past decade, poverty in remote Aboriginal communities is climbing.³

The poverty experienced by Aboriginal people in remote Australia is a consequence and tool of dispossession, reinforced by successive government policies and a continued failure to provide Aboriginal people with access to the basic services that other Australians take for granted, including appropriate and adequate housing, education, power, drinking water, roads and telecommunications – whether through wilful neglect, underfunding, or poorly design and implemented policy.

The extent and nature of poverty in remote Australia, and specifically in Central Australia, has been written and talked about extensively for decades. This submission does not seek to repeat what is widely known, but rather emphasise practical policy measures that can be readily implemented by government – and will make a tangible difference to the lives of Aboriginal people.

2. Raise incomes in remote communities

2.1 Invest in job creation

The low levels of employment in remote Aboriginal communities directly contributes to the high rates of poverty experienced by these communities. The NT's Indigenous employment rate continues to be the lowest in the country⁴ – and the gap is widening. Over the last decade we have seen a decline from 42.8 per cent of Indigenous people aged 25-64 employed in 2011, to 35.4 per cent in 2016 and 34.3 per cent in 2021⁵, and the employment rate is even lower in remote areas. This is well below the national Indigenous employment rate of 55.7 per cent⁶ and even further below the Closing the Gap target to see 62 per cent of Aboriginal and Torres Strait Islander people aged 25-64 employed by 2030.⁷ **We cannot address Indigenous poverty unless we address the employment gap.**

¹ Altman, J. (2018) Land Rights News, Northern Edition, December 2018.

² Markham, F. and Altman, J. (2019) Submission to the Senate Standing Committees on Community Affairs' *Inquiry into the Adequacy of Newstart and related payments and alternative mechanisms to determine the level of income support payments in Australia*, Centre for Aboriginal Economic Policy Research (CAEPR), Australian National University (ANU) p.6, citing Zhao, Y., Wright, J., Begg, S. and S. Gurthridge (2013) Decomposing Indigenous life expectancy gap by risk factors: A life table Analysis, *Population Health Metrics*, 11(1), 1 ([weblink](#))

³ Markham, F. and Biddle, N. (2018) *income, Poverty and Inequality*, 2016 Census Paper 2, CAEPR, ANU

⁴ While for non-Indigenous people, the NT has the highest employment rate in the country (86.2 per cent of non-Indigenous people aged 25-64 employed, based on analysis of 2021 ABS Census data by CAEPR (unpublished)

⁵ Ibid.

⁶ Ibid.

⁷ Closing the Gap Socioeconomic Outcomes and Targets, Target 8 ([weblink](#))

Acknowledging that a range of factors contribute to low employment in remote communities – not limited to discrimination, health conditions and poor housing – the single most critical driver is a lack of available jobs. A snapshot of 28 remote communities in the NT prepared by the NT Government in 2018 showed that, on average, there are only 0.3 jobs available for every person in the community. Of the jobs that are available, on average, around half are filled by local people.⁸ This correlates with census analysis presented by Altman and Markham to the Senate Select Committee *Inquiry into the Future of Work and Workers* (2018) showing that 69 per cent of Indigenous jobseekers in remote Australia stated that their main difficulty finding work is that there are ‘no jobs in the local area or line of work’ (31 per cent), that there are just ‘no jobs at all’ (30 per cent), or that they have problems getting transport to jobs (8 per cent).⁹

Government policy shifts in recent decades have contributed to the decline in employment opportunities, including nationally, the abolition of the Community Development Employment Projects (CDEP) program that had provided local jobs and capital for local infrastructure, and in the NT, the shire amalgamation that resulted in the abolition of Aboriginal community councils. Services that used to be provided by local Aboriginal Community Councils (e.g. municipal services, outstation services and CDEP) are now delivered by subcontracted service providers (Aboriginal and non-Aboriginal organisations), either through the shires (now regional councils), or the NT and Federal Governments. At this time, Intervention powers were used to transfer buildings and municipal assets to the new shires, including critical plant and equipment. While intended to support the delivery of “better and more reliable services” and stronger leadership and governance¹⁰, the centralisation of control over service delivery resulted in “a loss of community control, including the loss of the power to prioritise and make decisions regarding community needs” and a “diminished capacity of communities to deliver their own services in line with their own priorities”.¹¹ The combined impact has been a collapse in local authority, employment and services, and the withdrawal of resources and erosion of Aboriginal community control continue to be felt today.¹²

The Community Development Program (CDP) has categorically failed to contribute to improved employment outcomes in remote communities. The CDP program costs the Federal Government \$300-400 million to operate annually (this does not include income support payments to participants)¹³ – yet in 2020-21, it appears that fewer than 4 per cent of participants were supported into jobs that last six months or more.¹⁴ In the CLC region alone, \$48.9 million was paid to CDP

⁸ Northern Territory Government, 28 Remote Town Jobs Profile Snapshot (2017) ([weblink](#))

⁹ Link to submission [here](#).

¹⁰ E McAdam, Minister for Local Government, Minister’s speech (Speech delivered at the Local Government Association of the Northern Territory Conference, Alice Springs, 2006), cited in Australian Human Rights Commission (AHRC) (2012) Aboriginal and Torres Strait Islander Social Justice Commissioner Social Justice Report 2012, p.130 ([weblink](#))

¹¹ AHRC (2012) Aboriginal and Torres Strait Islander Social Justice Commissioner Social Justice Report 2012, p.131 ([weblink](#))

¹² See the effects of the changes discussed in the Aboriginal and Torres Strait Islander Social Justice Commissioner’s report, 2021, p.130-131 ([weblink](#))

¹³ Hansard, Senate Estimates, Finance and Public Administration Legislation Committee, 24 November 2022, page 12. This is funding to CDP providers and doesn’t include income support and other payments to participants.

¹⁴ Based on 1,639 six month job outcomes claimed by providers and caseload of 40,000, noting that a) claims can be made in cases where people find their own employment (i.e. the program has not assisted them to find that job), and that b) 40,000 is a point-in-time caseload, meaning that over the course of the year, many more than 40,000 people will participate in the program at some point. The estimate of 4 per cent is likely to be an *overestimate*. See also the Department of Prime Minister and Cabinet (2019) The Community Development Programme: Evaluation of Participation and Employment Outcomes ([weblink](#)), which shows the percentage of participants that achieved a six month job outcome was 6.9 percent (see Table 4.1, p.52).

providers in the last financial year. Meanwhile, the employment gap in remote Australia continues to widen and poverty continues to deepen.¹⁵

There remains ample opportunity for job creation in remote communities that address genuine needs. These aren't 'make work' or 'add on' jobs, as the tendency has been with activities facilitated under CDP. **Communities need to be at the centre of determining what jobs are needed and of value in their communities.** Consultations by the CLC's Economic Participation Unit with our delegates and Aboriginal organisations in our region have highlighted particular interest in jobs through services and enterprise in:

- Health and social care, youth and community services, education.
- Construction, housing and municipal services.
- Tourism.
- Horticulture.
- Arts, bushfoods and other work connected to culture.

That is why, for many years, the CLC has been advocating for a new approach to remote employment—one that focuses on job creation and the strengthening of community control. This approach is outlined in detail in the [Fair Work and Strong Communities](#) proposal, developed in 2017 under the leadership of Aboriginal Peak Organisations NT (APO NT), with an alliance of Indigenous and non-Indigenous organisations.

At the centre of the model is the call to reorient investment to job creation, through the establishment of a Remote Jobs Investment Fund of sufficient scale to make a substantial difference to closing the employment gap. APO NT has recommended 12,000 part-time jobs nationally, approximately 30 per cent of the CDP caseload. The fund should be accessible to Aboriginal community-controlled organisations, supporting community-led proposals for meaningful jobs that address genuine needs and aspirations of communities. A proportion of the fund should be reserved for paid youth work experience and traineeships (a recommended 1,500 places), and additional funding for an Enterprise Fund, to support the establishment and growth of small and large Indigenous business.

The FWSC proposal recognises that it is not just the form of labour market assistance that matters, but the extent to which it can be seen as a vehicle for local decision-making, and the rebuilding of local authority in tandem with creating meaningful jobs directed to meeting the needs and aspirations of local communities. Governance arrangements that embed Indigenous control at every level are therefore foundational to the model: from the development of national policy to its application on the ground. This must include the ability for local communities to set goals and adapt program settings to local circumstances, and the establishment of governance arrangements that enshrine continued Indigenous leadership of the program at a national level.

¹⁵ Indigenous people in the NT experience by far the lowest rate of employment in the country, seeing a continued decline over the last decade from 42.8 per cent of Indigenous people aged 25-64 employed in 2011, to 35.4 per cent in 2016 and 34.3 per cent in 2021 (Analysis of 2021 ABS Census data by the Centre for Aboriginal Economic Policy Research (unpublished)). Employment rates are even lower in remote communities. This compares to the national employment rate for Indigenous people of 55.7 per cent in 2021 (ibid) and the Closing the Gap target to see 62% of Aboriginal and Torres Strait Islander people aged 25-64 employed by 2030. Similarly, while nationally, Indigenous poverty rates have been declining slowly over the past decade, poverty in remote Aboriginal communities is climbing (source: Markham, F. and Biddle, N. (2018) *income, Poverty and Inequality*, 2016 Census Paper 2, Centre for Aboriginal Economic Policy Research (CAEPR), Australian National University (ANU)).

In this context, the CLC has welcomed the Federal Government's commitment to "scrap CDP" and replacing it with a "new program with real jobs, proper wages and decent conditions – developed in partnership with First Nations people". The *Trialling Pathways to Real Jobs* flexible funding trials currently underway and the New Jobs Program trial in selected regions are first steps that will generate valuable lessons to inform a new program. We are yet to see, however, an indication of the reorientation of investment and vision required to deliver the change that is needed, including delivering job creation on the scale needed, or a parallel focus on the strengthening of Aboriginal community control, in line with *Priority Reform 2* of the National Agreement on Closing the Gap.

CDP is a completely flawed program that needs radical change, not tinkering around the edges. The CLC urges a whole-of-government approach to remote employment policy that recognises the replacement of CDP as an essential component of work to close the Indigenous employment gap.

This requires a whole of government approach, coordinating work by National Indigenous Australians Agency on what comes after CDP, Treasury's development of an Employment White Paper, and work led by the Department of Employment and Workplace Relations on skills reform, in particular work to improve the delivery of foundation skills in remote areas.

Recommendation 1: That the Federal Government works closely with Aboriginal communities and organisations to inform the design of a new approach to remote employment. This new approach must focus on local job creation and the strengthening of Aboriginal community-control, reflecting the key elements of the APO NT *Fair Work and Strong Communities* proposal.

For further discussion on improving Indigenous economic participation in remote Australia, refer to CLC's recent submission to the [Inquiry into Northern Australia Workforce Development](#).

2.2 Ensure people are on the payments for which they are eligible

The high numbers of Aboriginal people classified as Not in the Labour Force (NILF) and widespread anecdotal evidence indicate that a significant number of Aboriginal people in Central Australia are not employed and not receiving any form of government support. This is a result of a number of contributing factors, including the high rates of penalties that were applied under the CDP program, and the withdrawal of face-to-face Centrelink services across the region that has made it even more difficult for Aboriginal people, particularly those living in remote communities, to navigate the system.

Anecdotally, it is young men who have 'dropped out of the system' in the greatest numbers. Having no income not only obviously affects the wellbeing of these individuals, but puts significant strain on family members, with ripple effects felt through communities.

While effort is required by the Federal Government over the long-term to improve the accessibility of Centrelink services in our region, this issue could be rectified in the short term if targeted resources were put into working with people to get them back onto the payments for which they are eligible. This could, for example, involve creating dedicated positions in CDP provider teams to undertake this work. **Ensuring people are on the payments for which they are eligible would have an immediate effect to lift incomes and reduce poverty experienced by Aboriginal people in remote Australia.**

Recommendation 2: That the Federal Government work urgently to ensure Aboriginal people living in remote communities are in receipt of the income support payments for which they are eligible, and that this is a matter monitored by the new Economic Inclusion Advisory Committee (see below).

Centrelink services access across remote Central Australia has been poor for a long time. There are now only five staffed service centres across our vast region.¹⁶ In many communities, the best people can hope for is access to a phone at the council office (with no assistance provided), and the very occasional mobile visiting service. CLC understands that mobile visiting has only very recently recommenced in remote communities in our regions after being suspended during COVID.

There is plenty of evidence of the digital divide experienced by Aboriginal people in remote Australia – lack of internet and phone access, lack of home computers, the fact that for most people English is a second language, and low levels of literacy and digital literacy (see discussion in the CLC's submissions to the [Regional Telecommunications Review](#) (2021) and submission to the *Indigenous Digital Inclusion Discussion Paper* (2021)). The consequent challenges accessing Centrelink services are multiple. Accessing MyGov, the pre-requisite for accessing Centrelink, first requires setting up an email address, which not all people have. Two-factor authentication compounds the challenge, as many Aboriginal people living in remote communities either don't have a mobile phone and/or are living in a community without phone service. Even calling Centrelink can mean hours spent on hold, making it challenging for people calling from pay phones or trying to use service provider phone lines.

A corollary of all of this is that significant amounts of other service providers' time is often sucked up helping people navigate the impossible web that is Centrelink (not to mention the maze of other government administrative processes) – taking time away from the critical services that they are actually funded to deliver. See for example the experience of the Willowra Learning Centre prior to the community getting mobile reception (finally installed in late 2022) – demonstrating just how challenging and time consuming accessing a Centrelink can be. We note that the actual role of the Learning Centre (funded by traditional owners through royalty money invested in the Warlpiri Education and Training Trust) is to provide community-led post-school training and education.

The last few months have been particularly busy with people needing support to set up MyGov accounts, find out their Tax File Number and set up email accounts to then set up a MyGov account. Setting up an email address is a long process requiring one-on-one support. The MyGov account is very complex (...) and takes a great deal of time (...) One of the major challenges is that a mobile phone is required to send a code to set up and verify the person. With no mobile reception at Willowra, this has been a massive barrier. Some people have managed to succeed but only by using a family member's mobile number who lives out of the community and is able to receive the code. The person then needs to ring the family member to retrieve the code to continue to set up the account. This process is very time consuming and in need of one-on-one support.

All of this underscores the importance of face-to-face Centrelink service provision, which is largely absent for people living in remote communities. Reinvesting in face-to-face service provision would

¹⁶ Services Australia website ([weblink](#))

reduce the number of people who ‘drop out of the system’ because the system is simply too hard to navigate.

Recommendation 3: That the Federal Government expand access to face-to-face Centrelink service provision, including increasing the number of staffed Service Centres, in Central Australia.

2.3 Permanently and adequately increase income support payments

The CLC echoes calls across the country to permanently and adequately raise the rate of Jobseeker and other income support payments. The positive impacts of the increase in income support during the early days of COVID-19 were immediately evident and widespread for the CLC’s constituents, and it is truly unconscionable that the Australian Government continues to keep people on income support so far below the poverty line.

The Remote Area Allowance (RAA) also requires attention. The RAA was introduced in 1984 as a measure to help alleviate the higher cost of living pressures on people living in remote areas who are receiving income support (such as age and disability support pensioners and recipients of parenting payments and what is now the Jobseeker allowance). The payment was introduced in response to the Cox Review, which found that “the zone allowance [ZTO] is not a good form of assistance for all people living in isolated areas. Individuals whose income is insufficient for whatever reasons are unable to take advantage of the tax rebate. Persons whose main source of income is a social security benefit are excluded from any benefit.”¹⁷

However, the payment hasn’t increased in more than 20 years – despite the fact that prices have continued to grow faster than the Consumer Price Index in remote NT communities. In that same period, a basket of food in a remote community store has gone from being 30 per cent more expensive than the same basket of food in a town supermarket, to 52 per cent more expensive in a remote community store.¹⁸ As income support payments are predominately received by Aboriginal people this has disadvantaged them most, while predominately non-Indigenous people working in remote areas have seen significant economic advantage through fringe benefit tax concessions that have grown with the increased cost of living. The RAA no longer ensures equitable support for families living in remote areas on income support payments.

Recommendation 4: That the Federal Government increase income support payments to alleviate deepening poverty in remote communities including:

- i) Permanently and adequately increasing Jobseeker and all other income support payments to keep people out of poverty.
- ii) Increase in the Remote Area Allowance (RAA) to appropriately account for the higher cost of living of remote regions of the Northern Territory, and
- iii) Ongoing indexation of all payments (including the RAA) in line with wage movements at least twice a year.

¹⁷ Cox et al. 1981, p.29

¹⁸ Food Summit Report: Food Security in the NT (2021), p.6 ([weblink](#)), referencing historical data presented in the NT Market Basket Survey, NT Department of Health (2020), p.18 ([weblink](#)); and NTCOSS Cost of Living Factsheet: Cost of Food in the NT (December 2022) ([weblink](#))

2.4 Role of the Economic Inclusion Advisory Committee

The CLC welcomes the establishment of the Economic Inclusion Advisory Committee. Recognising the depth of poverty experienced by Aboriginal and Torres Strait Islander people living in remote Australia, and the extent of the employment gap, the CLC urges the committee to ensure their Terms of Reference include a specific focus on improving the economic inclusion of Aboriginal and Torres Strait Islander people in remote Australia.

Recommendation 5: That the Terms of Reference of the new Economic Inclusion Advisory Committee include a specific focus on improving the economic inclusion of Aboriginal and Torres Strait Islander people in remote Australia.

This should include publicly reporting on the levels of income poverty experienced by Aboriginal and Torres Strait Islander people, nationally, by states and territory, and by remoteness, and active monitoring of these trends overtime.

Consideration should be given to how to monitor the proportion of Aboriginal and Torres Strait Islander people eligible for income support payments who are in receipt of those payments.

The Committee's pre-budget review should assess the likely effects of budget measures on reducing disadvantage and improving the economic participation of Aboriginal and Torres Strait Islander people living in remote Australia.

The work of the Committee and any recommendations made to address barriers and disincentives to work should align with the [priority reforms of the National Agreement on Closing the Gap](#), namely, the need for formal partnership and shared decision-making with Aboriginal people and organisations, building the Aboriginal community-controlled sector, transforming government organisations, and sharing data and information at a regional level.

3. Reduce the cost of living in remote communities

3.1 Reverse the NT Remote Rent Framework

Rental costs are one of the most significant contributors to the cost of living. On 6 February 2023, the NT Government's new Remote Rent Framework (Framework) commenced, which abolished income-based rent and introduced a bedroom-based rent scheme. The Framework means public housing tenants in remote communities and Tennant Creek Community Living Areas (CLAs) – where, as highlighted above, incomes are among the lowest in the country – are now the only public housing tenants in Australia whose rent is not calculated based on income.

Based on the NT Government's modelling, the Framework increased rents of about two third of tenants in remote communities and Tennant Creek CLAs. The Framework includes a 'Safety Net' which allows tenants to apply for a cap on their rent at 25 per cent of household income. The NT Government says it has automatically applied the Safety Net for six months to households where rent would exceed 25 per cent of household income, with housing staff to work with tenants to determine ongoing eligibility.¹⁹ After this period, the safety net will not automatically apply. Tenants can apply for the

¹⁹ Department of Territory Families, Housing and Communities, Remote Framework Safety Net Policy, 6 February 2023 ([link](#))

Safety Net (for 12 months at a time), and will have to initiate these applications themselves, applying online or via Housing officers.²⁰

The rent increase comes at a time when people in remote communities in the NT are already facing inflated prices for food, electricity and fuel. The NT Council of Social Service Cost of Living Report, released in December 2022, shows that the price of fuel has almost doubled in the NT over the past five years, utility prices have risen for NT consumers at more than double the national average, and the average cost of a healthy food basket in remote stores in Aboriginal communities has continued to rise, and (as noted above) was 52 per cent higher than in a town supermarket.²¹

The CLC, along with Aboriginal Housing NT (AHNT), APO NT and a range of NT and national organisations, [have called on](#) the NT government to maintain income-based rent until a new model is designed in true partnership with stakeholders. The CLC echoes the [concerns expressed by AHNT](#) that these rental increases could further exacerbate overcrowding in Alice Springs and increase the number of people in town without a safe place to sleep.

Recommendation 6: That the NT Government reverse the Remote Rent Framework as a matter of urgency, and implement an income-based rent for remote communities and town camps, and then works with the sector to design a fairer rent-setting model.

3.2 Food security

Food security is an ongoing and escalating issue for Aboriginal people living in remote communities in the NT. These issues have been outlined in detail in previous inquiries, including APO NT's submission to the *Inquiry into food pricing and food security in remote Indigenous communities*²² and the Aboriginal Medical Services Alliance NT (AMSANT) submission to the House Standing Committee on Agriculture's *Inquiry into food security in Australia in 2022*.²³

As outlined in AMSANT's 2022 submission, Aboriginal communities in the NT have long felt the heavy burden of an inadequate food system, leading to some of the highest rates of food insecurity in the nation. This insecure food system regularly fails to provide access to food that is affordable, or of sufficient quantity and quality that the rest of Australia enjoys.

The submission cites the latest NT Market Basket Survey and ABS median Indigenous household income data, that show an Aboriginal household in the NT now need to spend on average 42 per cent of their household income to afford a healthy basket of food. This even higher for families in remote communities. Few government programs have recognised this ongoing issue leading to a situation where, for example, Central Australian families living outside of Alice Springs could have as little as 20 per cent of their household income left for bills, transport costs and rent once they had purchased enough food to feed an average family.²⁴

²⁰ Department of Territory Families, Housing and Communities, Remote Framework Safety Net Policy, 6 February 2023 ([link](#))

²¹ See NTCOSS Cost of Living Reports, December 2022 ([weblink](#))

²² See also the APO NT submission to the *Inquiry into food pricing and food security in remote Indigenous communities*, July 2020 ([weblink](#))

²³ AMSANT submission to the House Standing Committee on Agriculture's *Inquiry into food security in Australia*, December 2022, Submission No. 73, p.3 ([weblink](#))

²⁴ Ibid.

The Aboriginal community-controlled health sector continues to lead policy thinking to address food security, and advocate for a shift beyond emergency responses to systemic solutions and a focus on prevention at the community and household level. The 2021 Food Summit, hosted by AMSANT, in partnership with Central Australian Aboriginal Congress, NTCOSS and NPY Women's Council resulted in a set of recommendations to comprehensively address food security issues in the NT. The final report is available [here](#), and the consultation analysis and discussion paper is available [here](#).

The CLC welcomes the [recent announcement](#) under the 2023 Closing the Gap Implementation plan of \$11.8 million over two years for the National Strategy for Food Security in remote First Nations communities, as a step towards making essential food more affordable and accessible in remote communities.

Recommendation 7: That the Federal and NT Governments adopt the recommendations of the [2020 NT Food Summit](#), which encompass recommendations relating to:

- Governance and leadership
- Housing
- Income and affordability
- Food production
- Stores
- Nutrition and food services
- Infrastructure.

The CLC notes recommendations that echo the CLC's calls in this submission for:

- A new approach to remote employment to replace CDP, focused on job creation and strengthening Aboriginal community-controlled organisations (see **Recommendation 1**).
- Raising the rate of social security payments (see **Recommendation 4**).
- Investment in housing, and essential water, power and road infrastructure (see **Recommendations 7, 11 and 14**).

4. Increased and sustained investment in remote communities

Aboriginal people living in remote communities in Central Australia are subject to levels of government neglect not seen (and that would certainly not be accepted) in most other parts of the country. Deficits in remote infrastructure and services in Central Australia are enormous and reflect ongoing neglect, particularly over the past decade. This includes deficits in housing, water and sewerage, reliable power, decent roads, green space and health, education and social services that support appropriate first-world living conditions.

The neglect of our remote communities has been brought into the national spotlight in recent weeks, with attention drawn to the challenges facing Alice Springs. These challenges need to be understood in the context of the erosion of resources and local decision-making authority in our remote communities that started with the Intervention in 2007 and that has continued since. It is positive to see the Federal and NT Government signalling a new approach to responding to these challenges – that is, listening to and working with Aboriginal organisations and the communities they represent.

This section highlights the need a significant improvement to the basic infrastructure and services available to remote communities, and emphasises that this investment must be designed and implemented in genuine partnership with Aboriginal organisations and the communities they represent.

4.1 Housing and homelands

Housing is a well-established social determinant of health. Despite significant investment under the current National Partnership Remote Housing Partnership Agreement in the NT (NPRHNT), there remains a substantial shortfall in housing supply in our remote communities. Over the course of the current agreement, overcrowding has dropped 3 per cent from 58.1 per cent to 55.1 per cent – leaving the NT a long way from achieving the Closing the Gap target of reducing overcrowding to 18 per cent. This small improvement is unsurprising when compared with demand: in 2020 NT Government estimated 8,000-12,000 additional homes were needed across the NT to reduce overcrowding and meet the demand through population growth.²⁵

With a homelessness rate 12 times the national average and, as noted above, more than half of Aboriginal people living in overcrowded conditions, the remote housing need in the NT is far greater than any other jurisdiction in Australia. Importantly, the poor condition of much of the housing stock in our remote communities highlights the desperate need for increased, sustained investment in ongoing repairs and maintenance. The continuation of Federal support for remote housing in the NT is therefore of paramount importance, and the CLC has therefore welcomed the Federal Government's commitment to negotiate a renewed National Partnership Agreement.

The CLC urges commitment by the Federal and NT Governments to a 10-year agreement, developed with the NT land councils and other Indigenous housing stakeholders, including Aboriginal Housing NT (AHNT). The agreement must be of sufficient scale to meet the housing shortfall, ensure quality, climate and culturally-appropriate builds, provide sustained investment in ongoing preventative and responsive repairs and maintenance, and to provide for the development and implementation of a comprehensive Aboriginal Housing Industry Development Plan. This Industry Development Plan is a critical step in the gradual transition of remote Aboriginal housing back to Aboriginal community control. The Federal and NT Governments have both committed to this transition through the Joint Steering Committee for the current NPRHNT. It would be aimed at building the capacity of Aboriginal community-controlled organisations committed to tendering for property and tenancy management and repairs and maintenance contracts, and over time becoming registered as Community Housing Providers, and developing the local workforce necessary to support this.

The agreement must also include further investment in homelands. Commonwealth funding for remote outstation and municipal and essential services ended in 2015-16 with a one-off final payment of \$154.8 million in 2015-16 to the NT Government. Since that time, the NT Government has run a Homelands program for the provision of those services through contracted providers, and the level of funding available to individual homelands has been small, and eligibility for investment restricted. In some instances, the lack of a funded service provider means many homelands, even if eligible for funding, are unable to access the service. The CLC has welcomed the Federal Government's

²⁵ Department of Local Government, Housing and Community Development, 'A Home for all Territorians: NT Housing Strategy 2020-2025' 2019, 11 ([weblink](#)).

commitment of \$100 million for homelands, but the need is far greater than can be met with those funds.

Recommendation 8: That the NT and Federal Governments work with the NT land councils and Aboriginal Housing NT to develop a new, ten-year tripartite agreement that:

- vi) Is of sufficient scale to respond to the demand for housing in the NT and meet the Closing the Gap targets.
- vii) Ensures quality, climate and culturally-appropriate builds.
- viii) Fully-funds both:
 - Preventative repairs and maintenance in remote communities, initially using the HealthHabitat survey-fix model, and then moving to a roster of regular planned maintenance, and
 - Responsive repairs and maintenance to ensure all public housing in the NT is safe and habitable.
- ix) Fully-funds the development and implementation of a comprehensive Aboriginal Housing Industry Development Plan that supports the gradual transition of remote Aboriginal housing back to Aboriginal community control.
- x) Properly funds housing on homelands as part of the housing continuum.

4.2 Education

Poor access to education is directly link to poverty. It is also major predictor of passing poverty from one generation to the next.²⁶ Yet multiple policy and funding decisions have had cumulatively harmful effects on access to education, particularly secondary schooling, for Aboriginal young people living in remote communities in the NT. The effects of these policies are evident in the extremely poor school attendance and educational outcomes for Aboriginal children living in remote communities.

The 'effective enrolment' school funding formula which is based on attendance records from the previous year has hugely disadvantaged remote schools, as it creates a viscous cycle of underfunding for schools with low and/or variable attendance. A report on school resourcing in 2021 found that by 2023, NT public schools will be underfunded by 20 per cent, which equates to \$6,000 per student, which is triple that of the other lowest performing jurisdiction.²⁷ We note that the pressure on school funding as also led to a loss of permanent positions for Indigenous teachers and Assistant Teachers.²⁸ This is concerning from the perspective of the loss of employment opportunities (and therefore income opportunities) for local Aboriginal adults in community, and because the presence of Indigenous staff has been found to have the biggest effect on children's attendance.²⁹ It is positive to see that this misguided budgeting approach will be scrapped by the NT Government³⁰ and the CLC

²⁶ 'Understanding how poverty is the main barrier to education', Global Citizen, L. Rodriguez, 7 Feb 2020 ([weblink](#))

²⁷ Morris, A. (2021) *The Schooling Resource Standard in Australia*, cited in the Association of Teachers to English to Speakers of Other Languages NT(ATESOL NT) (2019) Supplementary Submission to the *Inquiry into Adult Literacy and its Importance*

²⁸ ATESOL NT (2019) p.17

²⁹ Analysis by J. Guenther of NT MySchool data, cited in ATESOL NT (2019) p.17

³⁰ 'The NT's controversial 'effective enrolment' school funding model to be scrapped in the wake of independent review', O. Chaseling, ABC, 7 December 2022.

joins APO NT in calling for the NT Government to bring forward the commitment to move to population-based school funding rather than funding based on attendance.

Recommendation 9: That the NT Government bring forward its commitment to move to population-based school funding rather than funding based on attendance.

In addition, since 2015, secondary students living in remote communities have not had the option to undertake the NT Certificate of Education in their community.³¹ While a much stronger focus in the NT Government's new *Education Engagement Strategy* (2022-2031) on embedding language and culture in schools is welcome, it is not clear if and how this shift away from on-country secondary school options will be reversed. With Year 12 and equivalent completion rates at only 37.5 per cent for Aboriginal young people in the NT, this must be given attention. As outlined in the CLC's submission to the *Inquiry into Education in Remote and Complex Environments*, the CLC calls for governments to commit to the provision of secondary schooling in remote communities to at least Year 10.

Recommendation 10: That governments to commit to the provision of secondary schooling in remote communities to at least Year 10.

4.3 Remote essential service infrastructure

4.3.1 A National Partnership Agreement on Remote Essential Services

The delivery of essential services to remote NT communities and homelands, including power, water and sewerage became the sole responsibility of the NT Government in 2015 when, as cited above, a one-off payment was made to the NT Government. This one-off payment short changed NT remote communities, whose remote essential service needs cannot be met by the current NT Government.

The NT Government's current budget allocation for remote essential services is now around \$80 million.³² This funding is provided by the Department of Territory Families, Housing and Communities to Indigenous Essential Services (IES) to provide electricity, water and sewerage services to 73 remote communities and 70 outstations. Despite this allocation, ageing essential service infrastructure in NT remote communities is a large-scale and critical issue.

Most current infrastructure was installed during the ATSIC era and is now reaching senescence. Issues range from inadequate sewerage systems, leaking water pipework, borefield replacement, low penetration of renewable energy, and gaps in other essential services infrastructure to improve water availability and quality to meet standards enjoyed by urban Territorians. Water security is a particular concern for NT remote communities. With the exception of Papunya – all remote communities in our region are at a high, very high or extreme risk rating in relation to water safety and security.³³ With

³¹ Under the old NT Indigenous Education Strategy, options for secondary students living in remote communities were limited to attending boarding schools, or participating in local vocationally-oriented "Employment Pathways", largely restricted to literacy and numeracy programs.

³² \$80.4 million for Indigenous Essential Services in 2020-21.

³³ See CLC submission to NT Strategy Water Plan Directions Paper, February 2022 ([weblink](#)). Papunya is rated at 'medium' risk. See also See for example 'Yuendumu in Central Australia facing 'severe risk' of running out of water', ABC, 13 August 2019 ([weblink](#)).

respect to water quality and palatability, in our region, 18 per cent of communities lack safe drinking water, while *100 per cent* are consuming water that fails to meet aesthetic benchmarks.³⁴

In 2021, former Minister for Remote Communities and Homelands, Chansey Paech announced a \$28 million commitment over four years to improve water quality and supply in the remote communities of Laramba, Engawala, Yuendumu, Epenarra, Imanpa, Atitjere, Warruwi, Angurugu, Beswick and Numbulwar. This announcement was welcome and has enabled commitments including a uranium filtration system in Laramba in the CLC region. In addition, the CLC welcomes the recent announcement under the 2023 Closing the Gap Implementation Plan of \$150 million over four years to support First Nations water infrastructure and provide safe and reliable water for remote and regional Indigenous communities through the National Water Grid Fund, which we understand will be targeted at communities that currently do not have access to clean drinking water.³⁵ Consistent with the priority reforms of Closing the Gap, we urge the funding to be implemented in close consultation with the NT land councils and other key Indigenous stakeholders and communities.

Overall, the needs of our communities for essential power and water infrastructure remain far greater than the annual NT budget allocation of \$80 million can address. Infrastructure needs in most communities fall short of meeting standards considered appropriate or acceptable in a regional and urban setting. It is the CLC's view that the remote infrastructure needs of Aboriginal communities and homelands across the NT are beyond the capacity of the NT Government to fund alone. For this reason, the CLC is seeking a National Partnership Agreement that provides additional and ongoing Federal investment in repairing, replacing, expanding and maintaining remote essential service infrastructure in the NT.

Recommendation 11: That the Federal and NT Government work with land councils to agree a 10-year National Partnership Agreement on Remote Essential Services.

Further detail on the remote essential service infrastructure needs of the NT is provided in the CLC's submission to the NT Infrastructure Audit (2022) on the [CLC website](#).

4.3.2 Safe Drinking Water Legislation for the NT

With respect to access to safe drinking water – one of the most basic human rights – the CLC has additionally been calling on the NT Government to introduce safe drinking water legislation and the establishment of safe drinking water management plans to ensure all Territorians have access to safe and palatable drinking water. The inadequate drinking water protections for Territorians living in remote communities (predominantly Aboriginal people) are not acceptable. Further detail on the need for safe drinking water protections in the NT can be found in the CLC's submissions on the NT Strategy Water Plan Directions Paper (2022) and the Draft Territory Water Plan (2022) on the [CLC website](#).

Recommendation 12: That the NT Government introduce safe drinking water legislation and the establishment of safe drinking water management plans.

³⁴ Data from Power and Water Corporation. 2021. Annual Drinking Water Quality Report, 2021

³⁵ Media Release, Senator the Hon. Malarndirri McCarthy, 'Next step towards closing the gap', 13 February 2023 ([weblink](#))

4.3.3 Solar rollout for remote communities that ensures community benefit

With respect energy infrastructure, the transition to renewable energy happening apace across the globe and across Australia has the potential to provide Aboriginal people living in remote communities with access to clean, affordable power – an increasingly urgent priority in the face of rising temperatures driven by climate change and rising diesel prices. But it relies on the right policy settings being in place.

Aboriginal people in Central Australia experience some of the highest rates of energy insecurity in the world, and frequent household power cuts combined with exposure to extreme heat and inadequate housing is having a significant impact on people's health and wellbeing.

Most Aboriginal people living in remote communities access electricity via a pre-paid power card meter, which disconnect when the power runs out. Data from the NT Government's Power and Water Corporation shows Indigenous households with pre-paid meters are disconnected, on average, every four days. During hotter periods, this figure increases to every three days.³⁶ Such frequent power disconnections have wide-ranging implications, including affecting people's ability to safely store medicines and food, and keep households at safe temperatures – undermining healthy living practices and driving social and economic disruption for whole communities. As cited above, NTCOSS' latest cost of living report revealed an alarming jump in households having their power disconnected, as electricity costs rose at more than double the national average.³⁷

While Australia experiences one of the fastest transitions to renewable energy of anywhere in the world, Indigenous Territorians remain locked out of the direct economic and social benefits being created from electrification, energy efficiency and renewable energy. While some solar programs are already been rolled out by government, these are not providing direct financial benefits to remote community residents (by lowering electricity costs) or contributing to wider benefits through job creation in installation and maintenance. Well-designed solar programs for remote communities would help to reduce energy bills, reduce poverty and improve wellbeing and economic opportunities out bush.

The development of the national First Nations Clean Energy Strategy provides a significant opportunity for governments to work with Aboriginal organisations, communities, supported with the necessary technical and commercial expertise to design and rollout solar programs for remote housing in the NT that achieve maximum community benefit.

Recommendation 13: That the Federal and NT Government fund a co-designed solar program for remote housing in the NT that ensures community benefit.

4.4 Roads

The condition of roads is a high priority for CLC members and these matters are, without exception, raised at every full Council meeting. The CLC welcomed the Federal Government's investment through the October 2022 Budget in NT roads, including for the sealing of the Tanami Road and the Mereenie

³⁶ 'Climate change, poor housing fuelling energy concerns for First Nations communities', Sydney Morning Herald, C. Gooley, 17 December 2021 ([weblink](#))

³⁷ Media Release, 'New NTCOSS Cost of Living face sheet shows low-income households worst impacted by high electricity costs', NTCOSS, 2 February 2023 ([weblink](#))

Loop, however, with 75 per cent of the NT road network unsealed, the condition of our roads remains a significant infrastructure challenge.

We note that the withdrawal of plant and equipment from communities following the 2007 Intervention and creation of mega-shires has compounded these issues. As described above, the transfer of critical plant and equipment such as graders to the shires (now regional councils) combined with the end of the CDEP programs to take responsibility and resources for remote infrastructure repairs and management away from local communities.

Today, a lack of government coordination means that too often opportunities are missed to engage local Aboriginal people in jobs and procurement on major projects. This needs to be improved. In addition, in CLC's view, as is the case with remote housing, future training and employment opportunities that raises incomes can be generated by a careful transition back to Aboriginal community-controlled maintenance and repair of this critical infrastructure. This would necessitate an increase in funding for that purpose as of an overall boost in regional essential service funding for communities and homelands.

Recommendation 14: That the Federal and Northern Territory Governments continue to work to address the road infrastructure needs of the NT, and ensure that opportunities for local employment and procurement are embedded in the planning of any road infrastructure projects to maximise local Aboriginal benefit from this investment.

4.5 Telecommunications

Poor access to telecommunication directly affects communities' ability to access services, jobs and economic opportunities that mitigate poverty. In 2021, CLC made a detailed submission to the Australian Government's *Regional Telecommunications Review*. That submission, as well as our submission to the *Indigenous Digital Inclusion Discussion Paper* in November 2021, have strongly articulated the CLC's concerns with the persistent digital divide experienced by our communities.

These submissions noted that while some communities have mobile phone and high speed data services as a result of the mobile blackspot program and other federal and territory government-sponsored initiatives, many remote and isolated communities still rely on ageing and obsolete technology, such as High Capacity Radio Concentrator (HCRC) links to provide fixed telephone services and NBN satellite links to provide data services. The old technologies cited above do not provide sufficient bandwidth to support video conferencing and other real-time applications that are now so commonly used in business, service delivery and education. This compounds the baseline frustrations and disadvantaged caused by poor coverage, reliability and speed in phone and internet services. This structural disadvantage in the digital era is a barrier to participating in education and training, for those who are in employment, it makes their jobs harder. It is a barrier to enterprise development and service access.

The necessary focus of government policy on prioritising telecommunications infrastructure investment in areas of the greatest demand and lowest cost to provision has benefited larger and less remote communities. However, if the government genuinely wants to support job creation and economic development in our remote communities, the challenge (and imperative) now is to implement programs to connect smaller and more isolated communities.

Recommendation 15: That the Federal Government accelerate work to connect remote communities to affordable, reliable and fast phone and internet services.

4.6 A new tripartite National Partnership Agreement on NTRAI

Over the last seven years, the Commonwealth government has provided support to the NT Government to deliver a number of services for Aboriginal Territorians living in remote areas through the National Partnership Agreement (NPA) on Northern Territory Remote Aboriginal Investment (NTRAI). While the NTRAI is a standalone agreement, in practice, it is the continuation of investment that commenced through the Northern Territory Emergency Response or Intervention and subsequent arrangements through the National Partnership Agreement on Stronger Futures in the Northern Territory and accompanying legislation.

The National Partnership on NTRAI has been extended for two years, until the end of June 2024, providing the opportunity for the Federal and NT Governments to work with APO NT on the next phase of support and new investment. This investment from the Commonwealth is very important for the life outcomes of Aboriginal Territorians and it is vital that it continues.

The services provided under the original NTRAI are diverse.³⁸ It is APO NTs view that the scope of any future investment package should expand to more fully reflect the priorities of Aboriginal communities in the NT.

APO NT is currently in discussions with the NT and Australian governments to design a new package of investment to replace current the NPA which will cease in July 2024. As a member of APO NT, the CLC echoes the position that the next phase of Commonwealth investment should be much greater than the existing contribution through the NTRAI package, as this is not able to adequately address the needs of Aboriginal people in the NT, and that this investment must be co-designed. APO NT is drafting a new trilateral Agreement between ourselves, the NT and Federal Governments to drive and oversee implementation of the future investment package, in line with Priority Reform One in Closing the Gap. As part of this Agreement, APO NT seeks to build local and regional decision-making into the investment governance arrangements. This would enable community to make decisions at the local level on the design, implementation and monitoring of the new investment package.

Recommendation 16: That the Federal and Northern Territory Government commit to a new, trilateral National Partnership Agreement for a future NT Remote Aboriginal Investment Strategy that is of a scale that reflects the need in the NT.

5. Conclusion

The CLC thanks the Committee for considering our submission and would welcome the opportunity to provide further information or discuss any aspect of the submission, if required.

³⁸ Including funding for the Aboriginal Interpreter Service, education programs, hearing and oral health, remote policing, alcohol-related services and initiatives, and remote child and family support, including women's safe houses.