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SUMMISSION TO

Inquiry into the Social Security Legislation Amendment (Community Development Program) Bill 2018

Regional Anangu Services Aboriginal Corporation (RASAC) commenced as the CDP provider in Region 19 on 1 July 2018. Region 19 covers the APY Lands in South Australia. Although we have only very recently taken on delivery of the CDP program, our organisation has well over 20 years experience working on the APY Lands, delivering government services and employing local Anangu workers. We are an Anangu owned and governed Not For Profit organization.

We have a current case load of around 550 participants who are spread over a 103,000 sq kms, based in 6 very remote communities and a number of small homeland communities.

We provide the following feedback on the proposed amendments to CDP, for the Inquiry's consideration.

Unique Social and Labour Market Conditions in remote Australia.

The proposed amendments note the '*unique social and labour market conditions found in remote Australia*'. The impact and extent of these conditions needs to be considered deeply. Most of the basic assumptions about the daily life and the social conditions of CDP participants, that unconsciously sit behind the compliance framework, are challenged in remote areas. For example, basic assumptions such as the availability of Centrelink offices, comprehensive health services, banks, household mail service and post offices, phones, internet, adequate housing and sleeping arrangements, shopping and transport, to name a few, do not stand up. Similarly, assumptions around English language literacy and a lack of understanding about very complex cultural and social 'norms' in remote areas mean that standard compliance requirements can become onerous for Indigenous welfare recipients in communities such as the APY Lands. These factors contribute to increased levels of 'non-compliance' in remote communities. From our experience, the majority of non-compliance is not 'willful' but rather, most often reflects the impacts of the multiple challenges and barriers individuals face.

Also, when talking about the unique Labour market conditions in remote Australia, it is important to remember that in remote areas like the APY Lands, there are very few employment drivers in the economy. On the APY Lands the only real private employers are the art centres and community stores and a small amount of short term project based employment (eg maintenance and roads). Unlike top end remote communities there is not even seasonal employment related to primary industries. There is no mining or other wealth creation industries. In the main, economies on the Lands are supported by government service delivery and welfare payments. The usual first employers found in non-remote communities such as large retail and grocery chains and cafes and hospitality outlets do not exist. These are the types of jobs that most of us would have had at school or after school as entry points into the labour market.

Payment Cancellation Periods

We support the reduction in payment cancellation periods as the previous 8 week cancellation period has had devastating effects for the livelihoods of families in the APY Lands.

We can see in the proposed model that there is a series of steps before progressive penalties are applied. This can potentially be an improvement over the current arrangement.

In saying that, it is important to note that any cancellation of payments in remote communities can have far reaching consequences, other than the primary intended consequence of motivating participants to re-engage. In many cases, loss of income, can lead to an increased financial and social burden on family members who have non-activity tested welfare payments such as aged pension, parenting payments or disability payments. In addition, loss of income can impact the welfare of children, contribute to breakdown in family relationships and family violence incidents, exacerbate poor health outcomes, increased crime and social unrest. The result can be that, the pursuit of a policy objective around mutual obligation can undermine other policy objectives around family safety, school attendance, Indigenous health and community development. In addition, it is well known that the Cost of Living in remote areas where CDP operates is significantly higher than in non-remote areas. A cost of living study in remote areas could be used to inform future modelling of CDP. The APY Lands would be a good pilot site for such a study.

Removal of penalties that CDP participants receive for one-off breaches

We support the relaxation of penalties for one-off breaches. As we understand the new arrangements, a non-compliance event would trigger a suspension of payments, prompting CDP participants to re-engage with their provider. Providers would then have the opportunity to discuss the circumstances of the non-compliance with the CDP participants before determining if demerits would be applied. We support this approach.

The demerit system is cumulative and triggers various re-engagement and compliance actions. We have concerns about the 'life' of demerit points which we understand will persist on the clients record for a minimum of six months, even if they have re-engaged. We believe this has the potential to become demotivating for CDP participants who genuinely attempt to re-engage and improve their compliance. We would like consideration being given to cancelling demerits after a shorter time period, eg three months.

In addition, we have concerns that the demerit system may be difficult for participants to understand and monitor. It appears that there is a need for participants to actively use the 'Dashboard' via the Job Active/CDP website or app. This presents a major barrier to participants, as English is a second or more language, use of mobile apps etc is limited, considering that mobile coverage was only rolled out on the APY Lands this year and there are still many homelands and small communities without coverage.

Change to 20 Hours per Week mutual obligations.

We support the change to 20 hours per week mutual obligation requirements and request that consideration be given to enabling CDP participants to complete their hours over a period of time – eg a fortnight, rather than a strict daily commitment. This would enable some flexibility around the nature of activities that can be provided – for example some worthwhile activities in remote areas don't fit neatly in a 4-5 hour timeframe. For example a significant construction project or if the activity includes travel (eg to cemeteries, sorry camps).

Increased role of the local health service providers

Enabling CDP participants to access timely and thorough capacity assessments is a major challenge on the APY Lands. In theory the intent to enable local health service providers to have an increased role is a very good strategy. However, in the context of the APY Lands, there is only one health provider across the lands, which operates with FIFO medical practitioners, who visit the six main clinics on the lands on a roster basis only. Health Services are prioritised for essential Anangu health requirements and triaged accordingly. There are no allied health providers operating on the APY Lands. The health service provider supports local CDP participants to the best of their capacity however, we feel that there may be very limited capacity for additional assessments to be undertaken by them within their current operations. In addition, Centrelink remote assessment services operate on an infrequent visiting basis only to the APY Lands, often with only a few weeks' notice and with limited capacity to see all CDP participants who require assessment. The proper assessment of CDP participants capacity therefore remains a significant challenge for CDP operations on the APY Lands. The lack of appropriate and adequate capacity assessments can contribute to participants having more onerous mutual obligation requirements imposed on them than they should have, and therefore a higher propensity to have a pattern of non-compliance resulting in financial penalties.

Subsidised Jobs

We welcome the potential of subsidies being provided to local employers to encourage job creation in remote regions. We do however have some concerns as to the effectiveness of this in the APY lands as employers will still be required to contribute significantly to the costs of the new positions. Also, we would recommend that the 6 month exclusion of CDP participants who leave a subsidised position be relaxed and include a level of provider discretion in the referral of a CDP participant to a further subsidised position, if there are genuine valid reasons for the participant leaving a position. We would also recommend that providers be supported to provide the same level of post placement support for these positions as for non-subsidised positions, as the level of support required (and expected) by both CDP participants and employers is the same, regardless of whether the job itself is subsidised.

We support the amendment that participants in subsidised employment be exempt from activity test and other welfare compliance penalties.

CDP Project Funds

The implementation of the Targeted Compliance Framework in mainstream communities relies heavily of the availability of WFD projects where third party organisations provide the capital for activities. In remote communities like the APY Lands, there is very little capacity to source funds within communities to pay for progressive community development projects which could be delivered through CDP. Many worthwhile community projects would incur significant capital or materials costs. In the previous RJCP, project funds could be sourced through the **Community Development Fund**. We request that a similar fund be established to enable providers to work with communities to improve local infrastructure and facilities.

Mark Jackman

General Manager

21 September 2018

Example of CDP information in Pitjantjatjara language

What to do if you can't attend

Nya:lkun putu kulira utira tjukurpa palyantja

- If you can't attend you need to let your Supervisor know and tell them why.
Tjinguru nyuntu War̄ka wiya nyinanyi uti nyuntu nyuntumpa mayatjangka tjakultjura
- If your reason is palya your Supervisor will write it on the timesheet.
Nyuntu wiru ngaranyi ka nyuntumpa mayatjangku timesheet palyalku wiru ngaranyangka
- Good reason might be to attend **Ceremony or Culture, Sorry Business**, or you are **sick**
- **Tjukurpa nyangatja kulinma tjinguru nyuntu putu pitjanyi war̄ka kutu panya inmangaranyangka, tjinguru titurutjiturungka, munta pikatjarangka**

