Social Security Legislation Amendment (Community Development Program) Bill 2018
Submission 4 - Attachment 2

ATTACHMENT B

## Aboriginal Peak Organisations Northern Territory (APO NT)

An alliance of the Central and Northern Land Councils, Aboriginal Medical Services Alliance Northern Territory and North Australian Aboriginal Justice Agency

The Hon. Nigel Scullion Minister for Indigenous Affairs Parliament House Canberra ACT 2600

22 May 2018

Dear Minister Scullion,

**RE: Welfare reform changes to CDP Participants** 

I write to you on behalf of the Aboriginal Peak Organisations of the Northern Territory (APO NT) to express our strong concerns regarding elements of the CDP reform package announced in the 2018-2019 budget. We are particularly dismayed that you now intend to make CDP participants subject to the mainstream welfare compliance framework, despite previously agreeing that this cohort would be exempt from these draconian provisions.

APO NT publicly welcomed some of the CDP reform measures, such as the provision of 6000 wage subsidies with proper work entitlements, recognition of the need to overhaul the process of assessing work capacity, and the slight reduction in working hours. We are committed to working with you to ensure these elements of the reform are successful.

However, APO NT is deeply disappointed that you have cherry-picked reforms, rather than implementing the full framework of APO NT's Remote Development and Employment Scheme (RDES)<sup>1</sup>, which set out a comprehensive approach based on waged work, more flexibility to reflect employment needs and reduce penalties, greater support for those struggling, local control and Aboriginal-led institutional arrangements.

While we wait further details from your department on various elements of the reform package, we can immediately highlight three areas of particular concern that must be addressed. First, the reduction from 25 to 20 hours of required activities per week continues the discriminatory aspect of the program, by setting a higher level of required participation hours than the mainstream when calculated over a year. This needs to be rectified. In addition, the reduction in hours will do little to reduce the unacceptably high level of penalties if it is not accompanied by greater flexibility for providers to determine how and when those hours are to be worked. How the hours are arranged should be a matter for the provider. An arbitrary requirement that individuals must attend four hours across the five days of the

<sup>&</sup>lt;sup>1</sup> The RDES scheme currently has 34 endorsements of CDP providers and peak bodies.

week, does nothing to reflect the realities of employment on remote communities, requires program resources to be directed to compliance reporting and red-tape rather than supporting individuals, and will result in continued high penalties for no gain.

**Second**, we are shocked at the announcement that CDP participants will be subject to the new mainstream compliance arrangements from February 2019. Inclusion in the mainstream compliance regime is very likely to drive penalties even higher, and result in even greater disengagement from the program. In our view, this move will not address the key concerns with the current CDP program but will exacerbate them.

Third, we strongly believe that supporting the development of the next generation is critical, and you will recall that the APO NT scheme proposes 1500 trainee positions for young people. We know that young people are disengaging from CDP and unless this cohort is specifically targeted they will continue to fall between the cracks. We note that none of your reforms target young people, and feel this needs to be urgently addressed.

Better outcomes could have been achieved if you had accepted our offer to negotiate an agreed reform package. We have made repeated requests for comprehensive engagement on CDP reform, and for an independent and transparent CDP review process. Neither has eventuated. We were surprised by your claim on The Point (SBS, 10<sup>th</sup> May 2018) that the CDP reform was 'co-designed'. This is not the case, and the reforms you have announced reflects that fact. We remain committed to comprehensive CDP reform, and again extend the offer to negotiate short-term changes, and long-term program reform aimed at reducing hardship and securing better outcomes for CDP participants and remote communities. Achieving flexibility concerning the arrangement of the 20 hours, ensuring CDP participants are exempt from the mainstream compliance framework, and targeting the needs of young people are three current threshold issues for APO NT. Other issues can be addressed once we have received a comprehensive briefing from your department and can better assess the implications of your announcements.

We look forward to meeting with you soon to discuss these critical issues further.

To discuss the subject of this letter further, please contact the APO NT Coordinator, Brionee Noonan

Yours sincerely,

David Ross

Director, Central Land Council

On behalf of the Aboriginal Peak Organisations NT

David Ross	Joe Morrison	John Paterson	Priscilla Atkins
Director	CEO	CEO	CEO
CLC	NLC	AMSANT	NAAJA

## Aboriginal Peak Organisations Northern Territory

An alliance of the CLC, NLC, CAALAS, NAAJA and AMSANT

Senator the Hon. Nigel Scullion Minister for Indigenous Affairs Parliament House Canberra ACT 2600

22 September 2017

Dear Minister

**RE: Proposal for a CDP Reform Framework** 

Thank you for meeting with the APO NT delegation in Canberra on 7 September 2017 to discuss CDP and our alternative model for remote employment and development. We now write to propose a framework to guide our ongoing discussions and negotiations regarding reform of CDP.

We are encouraged that some elements of your proposed model appear to reflect the principles put forward by APO NT and supporting organisations. We are particularly encouraged by your statements about the establishment of new waged work opportunities, and reiterate our view that creation of new jobs with access to the full employment rights enjoyed by other Australians is central to the future of remote communities. We hope that we will be able to work closely with you and your department to settle an agreed new model.

However, we urgently require clarification about the process in which to continue these discussions, and to seek the views of our constituents and engagement with other stakeholders. As you know, this is not the first time we have asked for a transparent process. We, along with 29 organisations wrote to you in December 2016, and a further letter was sent by the Central Land Council in May this year seeking an open, transparent and independent review process. No responses were received to these requests.

We would now like to propose that we reach agreement on a framework for negotiating reform of the CDP. Key elements of the framework would include:

- Agreement on a process for ensuring a legitimate group of Indigenous leaders and experts in this field are empowered to negotiate with you and PMC;
- Agreement on models and options to be presented for community and stakeholder consultation, and the process for undertaking this work and incorporating feedback;
- Timeframe for concluding negotiations, and implications for current contracts; and,
- Agreement and oversight of the implementation process for a reformed program.

We believe we have a real chance to progress this issue in a collaborative and bipartisan manner, but a clear and agreed process is urgently required. Our proposed CDP Reform Framework would provide transparency, clarity, and a platform for reaching consensus regarding reform of this very complex program.

I am asking for your in principle agreement to this approach as a matter of urgency.

I would ask that your staff contact Jayne Weepers	
within 2 weeks to discuss this matter, or I can be contacted directly	

Yours sincerely,

-David Ross

Director

**Central Land Council** 

#### On behalf of

David Ross	Priscilla Collins	John Paterson	Leeanne Caton	Joe Morrison
Director	CEO	CEO	Acting CEO	CEO
CLC	NAAJA	AMSANT	CAALAS	NLC

Contact: Jayne Weepers Central Land Council

# Aboriginal Peak Organisations Northern Territory

An alliance of the CLC, NLC, CAALAS, NAAJA and AMSANT

Wednesday 16th August 2017

The Hon. Nigel Scullion Minister for Indigenous Affairs Parliament House CANBERRA ACT 2600

Dear Minister Scullion,

### **RE: Community Development Programme Review**

I write to you on behalf of the Aboriginal Peak Organisations of the Northern Territory (APO NT) to request a meeting with you on Thursday, 7<sup>th</sup> September 2017 in Canberra. Four of APO NT's Chief Executive Officers, David Ross, Joe Morrison, John Paterson and Priscilla Collins, will be in Canberra on this date.

As you are aware, APO NT have been working solidly for the last nine months with a number of Aboriginal organisations, Community Development Program (CDP) providers, and peak bodies, to develop a 'Proposal for the Establishment of a Remote Development and Employment Scheme', which is an alternative model to the current CDP. A copy of this proposal was provided to you and your Department on 5<sup>th</sup> June 2017.

APO NT first wrote to you in December 2016, seeking joint collaboration in the process of reviewing CDP, but unfortunately, APO NT have not received a response to date. We understand that the CDP is being reviewed, and consultations are likely to commence soon. Consistent with the letter sent to you by the Central Land Council on 29 May 2017 we remain concerned that the 'review' process is not open, transparent or independent. We would like to reiterate that it is critical that Aboriginal people and organisations with experience operating in remote Australia are included at all levels of the review process. APO NT is ready to provide high-level participation.

We look forward to meeting with you to explore our ideas for reform of CDP and to gain a better understanding of how APO NT can best engage is your review processes. Please ask your staff to contact the APO NT Coordinator, Brionee Noonan

Yours sincerely,

David Ross Director, Central Land Council Social Security Legislation Amendment (Community Development Program) Bill 2018
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### On behalf of the Aboriginal Peak Organisations NT

David Ross	Joe Morrison	John Paterson	Eileen Van Iersel	Priscilla Collins
Director	CEO	CEO	CEO	CEO
CLC	NLC	AMSANT	CAALAS	NAAJA

# Aboriginal Peak Organisations Northern Territory

An alliance of the CLC, NLC, CAALAS, NAAJA and AMSANT

The Hon. Nigel Scullion
Minister for Indigenous Affairs
PO Box 6100
Parliament House
Canberra ACT 2600
Via e-mail to: senator.scullion@aph.gov.au

Friday, 2 June 2017

Dear Minister Scullion,

Re: APO NT's Proposal for the Establishment of a Remote Development and Employment Scheme

We are writing to provide you with a copy of the Aboriginal Peak Organisation of the Northern Territory (APO NT) Proposal for the Establishment of a Remote Development and Employment Scheme. The alternative scheme is the result of extensive consultations with our own constituents, a wide range of CDP Providers, Aboriginal organisations and peak bodies undertaken over the past six months.

APO NT proposes that the current Community Development Program (CDP) be replaced by APO NT's alternative scheme that is place based, community driven, and establishes a framework for long term collaborative effort across governments, employers and Indigenous organisations to increase economic opportunities in remote communities. Importantly, the proposed new Remote Development and Employment Scheme seeks to increase the number of jobs in communities, drive community participation and development, and reduce the intrusion of the welfare system into people's lives.

Our model would see a shift away from a focus on compliance and administration towards a community development and case management model aimed at achieving long-term employment and development outcomes. The key elements of our model include:

- paid employment at award wages for around 10,500 people;
- the replacement of CDP providers with Remote Job Centres that have a focus on case management and support rather than administration and compliance;
- an emphasis on local control, including local governance arrangements, and community plans;
- supporting community enterprise development and stimulating new jobs;
- ensuring those who remain on income-support (within the DHS system) are treated fairly, and ensuring greater community control over participant obligations and compliance;
- better access to assessment processes and appropriate support for those with health and other personal issues;

- increased youth engagement strategies, including the creation of a national pool of around
   1500 paid work experience and training positions, similar to the former Green Corps;
- an independent national indigenous-led body to manage the new program, and to ensure that it meets long term employment and community objectives.

While we have set the elements of a scheme, we believe it is critically important that any program be substantially shaped at the local level. We have proposed that the goals of the scheme should be broadly stated and long term, and that communities are able to specify the objectives and targets that are important to them. In proposing a new body to manage the scheme we are reflecting our view that the existing, top down and compliance driven approach is not appropriate. A new culture needs to be created which is built on partnership and devolving authority to local people. We believe that this means a new, Indigenous led, structure.

APO NT is proposing a gradual roll out of the new arrangements, with implementation arrangements subject to negotiation and ongoing consultation with communities, organisations involved in delivery and their peak bodies. However, in the short-term, immediate program changes should be made to reduce the level of harm being done by existing Work for the Dole requirements and penalties.

These changes should include:

- Reducing the annual Work for the Dole hourly requirement in line with the annual activity requirement of participants in other programs;
- Allowing providers to arrange the hours of participation in a way that suits local conditions and participants; and,
- Removing the financial disincentive for providers to use their discretion (DNAD) in cases of non-compliance.

We seek an urgent meeting with you to discuss APO NT's proposed model and your own ideas for reform.

P	lease ask	vour	staff	to	contact	Brionee	Noonan at	APO	NT

to confirm arrangements for a meeting.

Yours sincerely,

**David Ross** 

Director

Central Land Council

David Ross	Priscilla Collins	John Paterson	Eileen Van Iersel	Joe Morrison
Director	CEO	CEO	CEO	CEO
CLC	NAAJA	AMSANT	CAALAS	NLC

Contact:

Brionee Noonan (APO NT Coordinator), Aboriginal Peak Organisations NT.

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### Aboriginal Peak Organisations Northern Territory

An alliance of the CLC, NLC, CAALAS, NAAJA and AMSANT

The Hon. Nigel Scullion
Minister for Indigenous Affairs
Parliament House
Canberra
ACT 2600

Wednesday 7th December 2016

Dear Minister Scullion,

**RE: Community Development Programme** 

We are writing to express our shared concern about the effect that the Community Development Programme is having on its participants, their families and communities and ask you to commit to a collaborative process for review and improvement of the program.

For decades Indigenous people have fought for just treatment under Australian law, including the right to earn fair wages for work. Now, under the Community Development Programme (CDP), participants – the vast majority of whom are Indigenous – are required to work for up to 25 hours per week and up to 46 weeks per year in return for income support. These requirements are substantially more onerous than those that apply to predominantly non-Indigenous people elsewhere. Under Jobactive, for example, Work for the Dole may only be required after one year of assistance, and then for fewer hours each week, for only six months of the year. Both providers and jobseekers have flexibility to select a form of mutual obligation activity that meets individual needs and improves employment prospects. Within the CDP, Work for the Dole has become an end in itself, requiring substantial investment in administration and diverting resources from other activities. As a result, thousands of CDP participants are locked into work at a rate well below award rates, with little or no prospect of earning additional income or leaving income support.

We understand, and share, your interest in improving economic and social outcomes across remote Australia. However we believe that, in order for these efforts to succeed, Indigenous community members and organisations must have substantial control over policy design and delivery. Under the Community Development Programme we have seen that control decline. Work for the Dole requirements have been set centrally and, other than in exceptional circumstances, every region's activities must be run five days per week, five hours per day regardless of local circumstances. The only influence that community members can hope to have is over what types of activities are run – but, even then, the options are limited by local resources and the need to ensure that people earning substantially less than the award are

not being required to work in jobs that should be properly paid. In addition, under the CDP funding model, contracted organisations no longer have the opportunity to tailor engagement strategies to local communities or to particular individuals. Instead, they must move immediately to punitive measures or face penalties themselves.

The impact of the combined application of onerous Work for the Dole requirements and the removal of local authority over engagement strategies is felt across remote communities. More than four times as many penalties were applied to participants in the first year of CDP than in the year before. Despite having only one twentieth of the caseload, CDP now accounts for more penalties than the whole of the jobactive system. As you know, the communities and families that are affected by these financial penalties are already amongst the poorest in the country. Penalties are having an impact on families' ability to put food on the table, to pay rent, and the pressure on those with stable incomes is mounting. Protections in the social security system for the most vulnerable are failing because of lack of appropriate assessment, lack of access to DHS services, and the inability of providers to use their own discretion to allow absences.

There is no easy solution to the challenge of improving economic and social opportunity in remote communities, however the CDP in its current form is doing substantial harm to communities without generating enough opportunity. We believe it needs fundamental reform. Until this occurs we believe that it is not appropriate to proceed with legislative change that would remove people in remote communities from the rights and obligations that apply to other citizens.

In the short term, we ask that you:

- Reduce the current Work for the Dole requirements applied to CDP participants to a level more closely aligned to requirements elsewhere;
- Provide local flexibility in the arrangement of days and hours of participation and associated supervision and administrative arrangements; and
- Revise CDP contractual arrangements to allow providers to determine when to recommend breaches based on community and individual circumstances without penalty.

In addition, we ask that you commit to an inclusive collaborative process to redesign the CDP with a view to:

- Establishing a program framework that would give local communities greater control over the design and implementation of employment services in their own location;
- Providing positive rewards for engagement, rather than relying on punitive measures;
- Focussing attention and resources on long term economic and social development goals.

This collaborative process must be built on a foundation of transparency and trust. This includes sharing of information about the costs and benefits of this and alternative schemes.

We ask that you work with our representatives to develop a collaborative process that reflects the principles articulated by the Prime Minister in his Closing the Gap speech to Parliament – a process that enables things to be done with Indigenous peoples, not to or for us.

We look forward to working with you to redesign CDP to ensure better outcomes for Indigenous people living in remote areas. The Aboriginal Peak Organisations NT (APO NT) is convening a meeting on 12-13<sup>th</sup> December to discuss our next steps in relation to the CDP. It would be greatly appreciated if you could provide your response to the proposals and concerns outlined in this letter - in particular our request for a genuinely collaborative design process - by that date.

Please contact Mr David Ross, Director of the Central Land Council,	
should you wish to discuss further.	

Yours sincerely,

David Ross

Director, Central Land Council

On behalf of the Aboriginal Peak Organisations NT

David Ross	Joe Morrison	John Paterson	Eileen Van Iersel	Priscilla Collins
Director	CEO	CEO	CEO	CEO
CLC	NLC	AMSANT	CAALAS	NAAJA

See endorsements over page

#### **ENDORSED BY:**

Australian Council of Social Services (ACOSS)

Anyinginyi Health Aboriginal Corporation

Ashburton Aboriginal Corporation

**Barkly Regional Council** 

Bawinanga Aboriginal Corporation

CatholicCare NT

Central Desert Regional Council

East Arnhem Regional Council

**Ironbark Aboriginal Corporation** 

Human Rights Law Centre

Jobs Australia

Julalikari Council Aboriginal Corporation

Laynhapuy Homelands Association

Mabunji Aboriginal Resource Indigenous Corporation

Maralinga Tjaruta Aboriginal Corporation

Marra Worra Worra Aboriginal Corporation

Marthakal Homelands Resource Association

Miwati Health Service

National Welfare Rights Network

Ngaanyatjarra Council Aboriginal Corporation Ngurratjuta/Pmara Ntjarra Aboriginal Corporation

Ngaanyatjarra, Pitjantjatjara and Yankunytjatjara (NPY) Women's Council Aboriginal Corporation

Northern Territory Council of Social Services (NTCOSS)

Oak Valley Aboriginal Corporation

Roper Gulf Regional Council

**Tangentyere Council** 

Thamarrurr Development Corp Ltd

Tiwi Island Training and Employment Board (TITEB)

Victoria Daly Regional Council

West Arnhem Regional Council

Yagbani Aboriginal Corporation