

Question on Notice

Mr WILLCOX: Thank you, Josie, for coming today to give evidence. You mentioned earlier in your evidence that, I think, the CDP had circa \$300 million to \$400 million. Do you have a feel for how much of that actually ends up in country and in rural and remote areas to make that tangible difference?

Dr Douglas: I do have feel for that. Most of that money would be going to CDP providers and not into part-time jobs or into people's back pockets as a wage. That's it in short.

Mr WILLCOX: So minimal?

Dr Douglas: I think minimal. I can take that question on notice, but that's my feel for it. I think it is reflected in our submission that most of that money is going to CDP providers to manage the mutual obligations and to manage people. What we're saying is use that existing funding to create a remote jobs fund where Aboriginal community controlled organisations can apply to that fund and say, 'We want five positions in our aged care. We want three positions to be doing ground maintenance activities.' That could fund those jobs. Then, of course, we don't want to lock people in. This is the other issue. People are being locked into one level of income for years and years and years. If an enterprise is doing well on a community, you can extend that contract for a person and say, 'We can increase your hours. You can go from part time to full time.' There's an opportunity to be earning more income. In the Northern Territory, the Aboriginal demographic is the fastest growing population out of any demographic cohort. We've got a fast-growing, youthful population in the Northern Territory. If we don't do something, I just think we'll potentially set up future generations for ongoing disadvantage. Something can be done, and it can be done through a better CDP.

Central Land Council Response to Question on Notice

Inquiry into Workforce Development in Northern Australia, Tuesday 18 July

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)¹ - yet in 2020-21, it appears that fewer than 4 per cent of participants were supported into jobs that last six months or more.² **In the CLC region alone, \$48.9 million was paid to CDP providers in the last financial year.** Meanwhile, the employment gap in remote Australia continues to widen and poverty continues to deepen.³

¹ 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.

² 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).

³ 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)).