

The Senate Finance and Public Administration References Committee Inquiry into the Community Development Programme

Executive Summary

This submission contends that the current design and implementation of the Community Development Programme (CDP) is fatally flawed as a means of providing solutions to the joblessness, economic and cultural needs of remote Indigenous people. The aim is to spell out why this view is held and identify options for change.

Disclaimer

The views expressed in this submission are my own and are not intended to represent the official perspective of my employer, Charles Darwin University.

Background

The CDP is a direct descendant of the Community Development Employment Projects (CDEP) program. Attachment A shows the timeline (1). A summary of CDEP is provided by Jon Altman and Anne Daly:

The Community Development Employment Projects (CDEP) scheme was established in 1977 primarily as an income support and community development program for remote Aboriginal communities. Since the launch of the Aboriginal Employment Development Policy (AEDP) in 1987, it has expanded its objectives and is now also regarded as an employment program. Under the scheme, members of participating communities forego individual access to social security entitlements. Amounts broadly equivalent to these entitlements are paid as block grants to communities which are then utilised as a wages pool to provide part-time employment. (2)

On 6th June 2016, the Government announced the shift from the post CDEP Remote Jobs and Community Programme to CDP. The information sheet stated the following:

The Government reformed remote employment services to deliver better opportunities for remote job seekers and foster stronger economic and social outcomes in remote Australia.

The reforms better reflect the aspirations of people in remote Australia. The reforms will lead to practical outcomes and help community members to help themselves.

Flexible and focussed on local decision making and local solutions, the CDP is an essential part of the Australian Government's agenda for increasing employment and breaking the cycle of welfare dependency in remote areas of Australia.

As a result, more people are active and contributing to community life – working on country, caring for elderly parents, working in the school canteen, attending their kids' preschool. (3)

This submission's reflections and recommendations are based on personal experience through learning from and working with Indigenous Australians since 1983. Since 1992 this learning and experience have been focused on Central Australia and the Barkly Region of the Northern Territory. My involvement in Indigenous employment, education and training has included work in the Federal Government portfolio at a national, State/Territory and regional level, secondment to the Central Land Council to build Indigenous employment in the mining industry, delivery of Job Network contracts in urban, Town Camp and remote communities and most recently engagement in education and training in remote areas.

As a result of this experience, this submission will focus on two major issues – CDP's capacity to meet the needs of remote Indigenous people and alternative approaches to meet the needs.

Issues

1] The ability of the CDP to provide long-term solutions to joblessness and to achieve social, economic and cultural outcomes that meet the needs and aspirations of remote Indigenous people

Given that CDP is aimed at remote job seekers and stronger economic and social outcomes in remote Australia, it is important to consider the context. Back in 1985, the Miller Report noted:

An indication of the different types of regular employment available, in terms of employment providers, in Australia's 517 Aboriginal communities...only 14 per cent of remote employment was government not involved, either directly or through the funding of organisation, in the provision of regular employment. In contrast, private sector employment was not available at all in some 35 per cent of remote communities. (4)

As noted by Altman and Daly in 1992, the Federal Government responded with the first national, comprehensive Indigenous employment and economic development policy and program package, the AEDP. Policy Paper No 1 stated the following:

The Government recognises the activity of Aboriginal people in Aboriginal original lands as a legitimate form of employment and productive economic activity, because time is spent, work is performed and nontraded goods and services are produced. As a result the Government is committed to a policy of making available an appropriately tailored and delivered range of employment programs, income support measures based on the entitlements of all Australians, and community development programs and services to residents of Aboriginal original lands. The policy is not designed to infringe on Aboriginal original lands' society nor to impose a pace or direction of change that is not desired by residents. Rather, it is designed to assist Aboriginal endeavours and to be implemented only at their discretion. (5)

In 2016 Joe Morrison, the CEO of the Northern Land Council, described CDEP as “public policy created in the bush, for the bush. It opened the door for Indigenous people to lead the agenda, informed by best-practice research.” (6) Morrison’s comments were made against a backdrop of little effective change in employment and economic development for remote Indigenous people despite the multitude of policy and program changes since 1987. Opposition to CDEP was articulated by the Federal Department of Employment and Workplace Relations (DEWR) in 2005, stating that it had “become a destination rather than a stepping stone towards jobs.” (7) This description indicated a major policy shift to redefine CDEP as a pure employment scheme. Sanders described the shift in the following terms: “CDEP was slowly being converted from a very distinctive Indigenous specific program to a remote area version of the general Work for the Dole program introduced in 1997.” (8) With the creation of CDP, the current Federal Government has gone much further.

Minster Scullion eagerly quoted statistics to confirm the effectiveness of CDP to provide a solution to the joblessness of Indigenous people in his press release of 2 December 2016:

Support for the CDP is demonstrated by the number of participants who volunteer to participate in activities, more than 7000 or around 22 per cent of the caseload.

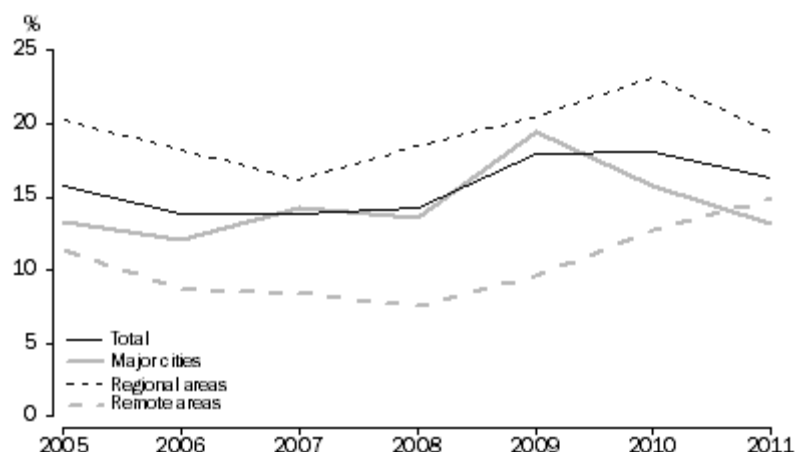
Under the CDP, 85 per cent of eligible job seekers have been placed in work-like activities, up from 45 per cent at the end of the Remote Jobs and Communities Programme (RJCP).

The CDP has supported job seekers into more than 11,000 jobs and achieved more than 3600 26-week employment outcomes for job seekers in remote communities. (9)

The term “work-like activities” does not equate to community development activities. Community development has been described by Elise Klein as involving (a) choice and control, (b) community defining what development means and (c) recognition of local knowledge and ability for localised development issues. (10) This reinforces the idea that the current scheme is NOT a *Community Development* programme; it is an employment focused programme. Minster Scullion uses the term “job seekers”, not participants. CDP should not be defined, described or promoted as something it isn’t. It should also be noted that the Minster’s boast that participation has improved can be explained by the fact that it is compulsory for a person who is not working and needs income, automatically increasing participant numbers, with severe financial penalties associated with non-compliance.

CDP’s capacity to make any substantial difference to joblessness must be measured against the long-term unemployment rates as recorded by Australian Bureau of Statistics (ABS) data in remote areas:

Estimates of unemployment for Remote areas were subject to high sampling errors and should therefore be used with caution. Furthermore, Remote areas generally have an underdeveloped labour market where people often do not actively look for work and therefore are not classified as unemployed, even though they are not working and might indeed prefer to work if the labour market were different



UNEMPLOYMENT RATE, Indigenous persons aged 15 years and over – 2005 to 2011 (11)

Faced with the move away from community development and an emphasis on employment, Jobs Australia recently documented just what CDP can and can't deliver:

Under the new funding model, payments for activities are tied to engagement and attendance of individual job participants. The reduction in funding certainty has meant that some providers have found it more difficult to offer quality activities. Many activities are run on shoe string budgets, which impact upon their quality. For providers that are maximising their Work for the Dole payments, activity quality is improving, but for providers still struggling with the funding model, they are less able to invest in quality activities. This is particularly the case with activities that involve training embedded within them. (12)

Literacy and numeracy levels are a performance indicator of CDP in recognition of the ongoing low levels for a majority of participants. CDP providers in Central Australia have tried to be innovative in training their supervisors to utilise basic literacy and numeracy strategies for their participants, with some success. The 2017 Federal Government's Budget reduced funding for the Department of Education's Skills for Education and Employment (SEE) program, aimed at providing accredited language, literacy and numeracy training to eligible job seekers, to help them to participate more effectively in training or in the labour force. From my experience, this program had very limited effect for two major reasons. Firstly, too many job seekers and CDP participants were at the Australian Core Skills Framework (ACSF).pre-Level 1 stage on assessment, so could not participate; secondly it was as financially disastrous for providers as its predecessor because of the contractual requirements. It reinforced the perception that those developing contracts and guidelines have never run a business delivering programs and services in remote locations.

The literacy gap is still huge for far too many CDP participants to secure and maintain full-time employment for the magic 6 months milestone. Training for higher level qualifications, rehabilitation services, school-work transition support have also been identified as difficult to access within the limited budget provided by CDP contracts.

The Senate Inquiry seeks comment on how the CDP is meeting "the needs and aspirations of Indigenous people". One of the greatest needs of remote Indigenous people (the target group of

CDP) is health. Poor health immediately excludes people from active employment and severely limits their capacity to engage in social, economic and cultural activities.

In a review of a book edited by John Boulton, *Aboriginal Children, History and Health: Beyond Social Determinants*, Nicholas Rothwell wrote:

Social and medical researchers contribute supporting essays to buttress Boulton's basic, radical thesis that "structural violence" is at the heart of things. Coolibah's (a Gurindji stockman from the Kimberley) world has been so buffeted and damaged by outside pressures that it has all but fallen apart; and a long history of oppressions and prohibitions is now "embodied in health outcomes".

Rothwell quotes the massive growth of population in Wadeye (formerly Port Keats), and goes on to say:

Such is the pattern in many of the high growth communities in the remote north. Jobs and housing are in short supply, school attendance remains poor, drugs are the currency of daily life. For parenting, the implications are evident. Children are having children of their own: men and women find themselves grandparents in their 30s. The traditional Indigenous pattern of assistance in parental care becomes unworkable when the number of children so greatly exceeds the number of adults in the community. Even a mother operating in a stable remote area home struggles, given the sedentary nature of community life, the dependency on shop-sourced, high-cost foodstuffs and the fierce competition for access to welfare funds. (13)

CDP is not structured to fund qualified assessment of a participant/job seeker for their health issues. Yet I'm told by family working for a CDP provider that a significant proportion of the caseload has too many health and other barriers to get and retain work where it exists. Provider staff "work their guts out yet feel set up to fail...the system is based on white people but mainstream people are treated differently. The targets for placements, outcomes and being kept in a job for our mob are unrealistic".

I am confident that current CDP providers will tell the Inquiry about the red tape constraints to the effective meeting of needs. Anecdotal evidence suggests that because so much emphasis is placed on compliance and contract management/administration, there is minimal scope to genuinely engage with participants and their community to determine priorities, despite the Minister's claim in 2016 the programme is "flexible and focussed on local decision making and local solutions". Daily input of attendance and other activity is essential for financial viability and non-compliance sanctions are just as severe for the providers as they are for CDP participants. Accountability for the use of public funding is fully understood and accepted but the current CDP processes are micromanaged, inflexible and counterproductive to the aspirations and needs of Indigenous people.

2] Alternative approaches to addressing joblessness and community development in remote Indigenous communities

Perhaps the simplest and most accurate strategy is to follow the advice of Pat Dudgeon, a West Australian Indigenous woman, who said recently on ABC radio: “Nothing about us without us”. Policy Paper Number One of the AEDP stated: “The Government's policy of self-determination recognises the right of Aboriginal people to exercise control over their own affairs”. (14)

Consultation is consistently claimed as a core part of the program development process but is rarely genuine. A recent conversation with a respected local Indigenous person described consultation as it is practised as “being seen to be doing something”. He refuses to engage any more with consultation opportunities because he sees it as futile. Aboriginal people also tell me of the frustration with so-called consultation which is rarely done in plain English and even more rarely in local language. Yet the change “proposed” directly impacts the lives of those attending, not the lives of those in the Toyotas who drive in and later that day drive out.

The impact of the Intervention in the Northern Territory has further increased the suspicion that yet another switch in policy and programs will make a positive difference to their lives. The Inquiry must ensure that its recommendations reflect Indigenous peoples’ priorities.

It is encouraging to see that in the 2017-2018 Australian Government’s Budget, the new model “will be community focused working with job seekers to take up work or contribute to their community”, based on consultation with Indigenous communities and key stakeholders. (15) A further potentially positive announcement is \$5.0 million over four years from 2017-18 to support the implementation of community-designed and delivered employment services in Yarrabah, Queensland. (16)

In previous submissions lodged with earlier Governmental Inquiries, the Aboriginal Peak Organisations of the NT offered a model they initially called a Community Employment and Enterprise Development Scheme (CEEDS).

Another option is Basic Income, described as providing all the residents of a particular location with regular subsistence “wages” unconditionally. Economists are divided about the cost benefit of this system – why should the rich be subsidised – but Klein has identified four key features of CDEP which follow the Basic Income model, as distinct from CDP:

- CDEP was community controlled and voluntary
- It allowed flexible work arrangements
- It had a real community development focus
- It provided work opportunities when the labour market was small or non-existent. (17)

Sanders also offers support for a Basic Income approach or what he calls a “basic living wage” where those people who undertake “locally determined program activities for an agreed number of hours would receive additional income up to the ‘full’ rate”. He goes on to state that like Basic Income, “it would also shift administrative resources from monitoring compliance to facilitating economic and community development, as well as providing a minimal level of economic activity”. (18)

In its 2017-18 Budget the Northern Territory Government announced under its Investing in Children policy \$11.1 million “to continue and expand the Families as First Teachers program to improve the developmental and learning outcomes of vulnerable and disadvantaged children from birth to three years of age”. (19) The NT Chief Minister in his budget briefing to a forum in Tennant Creek I attended on 12 May 2017 stated that the first one thousand days of a child’s life are critical to their future development. He said that too many young people (Indigenous and non-Indigenous) begin their schooling with minimal literacy because they have not had an older person reading to them. There will always be some people in a community and on CDP who are literate – why not have reading to pre-school children as an approved activity?

To break the cycle of joblessness, appropriate models of skills development are required. A model which has been developed in horticulture in Central Australia was highlighted in my submission to the Twiggy Forrest Review of Indigenous Jobs and Training. Centrefarm, an Indigenous horticulture enterprise, documented its experience initiating training for 18 community-based Indigenous people. The subsequent model summarised its learning: (i) recruitment and induction; (ii) pre-employment training; (iii) pre-vocational training and work experience; (iv) independently seeking work; and (v) former trainees provide on-the-job training to Indigenous job seekers. (20)

Funded training needs to be available for income generation skills and qualifications for individuals and micro businesses. Additionally, funded professional/staff development for regionally significant Indigenous organisations has massive capacity building potential.

Recommendations

1. Recognise that the Community Development Programme is an employment programme and cease using its misleading descriptor, or change its emphasis.
2. Work with CDP providers to make immediate, necessary changes to the activities and payment regime, while genuinely long-term policy and program change is introduced.
3. Consider options for long-term income maintenance to break the poverty cycle.
4. Recognise the real costs in transitioning remote Indigenous people into ongoing gainful employment, economic and enterprise development.
5. Expand funding to include demonstrated opportunities for individual and micro business income generation and professional/staff development for regionally significant Indigenous organisations.

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Attachment A

