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Ironbark Submission – Social Security Legislation Amendment (Community Development Program) Bill 2018

21st September 2018

Ironbark Aboriginal Corporation delivers the Community Development Program for the Darwin Daly (Region 35) and has also delivered its predecessors in the form of CDEP, JSA and RJCP. Ironbark is a strongly performing CDP Provider achieving local employment outcomes and living true to our vision of *'Improving lives, transforming communities.'*

Ironbark is keenly aware of the impacts experienced by participants in the CDP program from the current program requirements and the existing compliance framework.

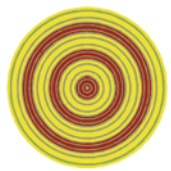
Due to the year-round nature of participation under the program, jobseekers have far more opportunities than counterparts in urban programs to fail their requirements. Add to that high levels of disadvantage, English as a second and even third language and the complexities of the compliance framework and timeframes associated with assessment and application of compliance action and you have a recipe for continual cycling of recipients through compliance activities, penalty periods and cancellation of welfare payments.

Ironbark is supportive of the proposed amendment to reduce requirements for participation to up to 20 hours per week. This is a significant step towards redressing the disparity between remote and mainstream participation requirements.

The proposed amendments to the Bill will repeal provisions which, in effect, currently exclude CDP participants from the Targeted Compliance Framework (TCF); and repeal the current compliance framework contained in Division 3A of Part 3 of the Social Security Administration Act.

However, Ironbark does not believe the proposed amendments to implement the TCF to the Community Development Program will improve outcomes for remote participants. In fact, based on experience and knowledge, we believe the impact on the CDP caseload will be exacerbated by the TCF.

While there are more steps before a penalty is applied under the TCF and the initial penalties may be less, the extended period in the 'red' zone under the TCF and the lack of any waiver capability will, we believe, see many clients exit the system altogether. The ongoing participatory requirements and the three-month period without failure required to return to the 'green' zone will be insurmountable for many impacted by the framework.



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This will result in huge impacts on communities that are already highly disadvantaged and participant numbers in CDP. (Providers have already seen significant drops in caseload numbers over the duration of CDP and there is extensive data showing the comparative penalty rates that are already far greater in the remote setting).

Additionally, the Explanatory Memorandum indicates there will be a greater role for local CDP providers to work with CDP participants in the application of the TCF and there will be less interaction with Centrelink compared with the current framework.

Providers already work extremely closely with clients on addressing barriers and understanding participation requirements. CDP Provider staff members already experience levels of aggression and abuse working face to face with participants – something not experienced by Centrelink staff. Ironbark predicts the frustration of jobseekers trying to understand the TCF if it is introduced, coupled with impacts of the 'red' zone given the opportunity to fail because of high participatory requirements, means the menace to staff will also increase. As a result, qualified security guards will need to be hired further increasing costs to Providers and raising concerns about financial viability.

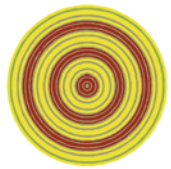
A suitably qualified Capability Assessor will also need to be employed under the TCF model to carry out the Provider Capability Interviews. This represents another increase in costs to Providers for which we are not funded.

At a presentation on the TCF at a CDP Provider meeting earlier this year, providers were told that the framework was established without any consideration of the Community Development Program and therefore no consultation with affected stakeholders. It was designed with only consideration given to the mainstream programs. We believe this consultation should occur before any introduction is considered.

In relation to the proposal for 6000 subsidised jobs in remote Australia, there is certainly merit in the intent, however Ironbark is concerned about the relationship between providers and people in subsidised employment. The Explanatory Memorandum indicates there will be no CDP requirement or mutual obligation for those who enter a subsidised job and yet indicates participants will still be accessing a level of support from CDP providers.

The nature of caseloads and the subsidisation of employers indicates jobseekers engaged will not necessarily be work ready or capable of fulfilling role requirements independently. Consultations on revised payment models under the program indicate there will be no payment for providers for people placed into subsidised jobs other than a one-off initial payment. The proposed legislative amendments indicate there will be no obligation and yet still it seems it is expected that providers will support these participants in addition to their direct caseload numbers, with no reciprocal obligation of either the jobseeker or employer.

We believe further consultation and consideration of the on-ground detail and implications is required on this element of the proposed amendment.



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The very basis of community development is the tried and tested notion that through consultation with people in their communities those people may be a part of their own decision making, engineering sustainable solutions to their own problems.

We urge the Government to undertake true and thorough consultation before subjecting remote participants to further hardship.

Ironbark Aboriginal Corporation does not support the application of the TCF to the CDP and urges Members of Parliament to oppose this Bill in its current form.

Kind Regards

Mr Shaun Pearce
CEO Ironbark Aboriginal Corporation