



**Aboriginal Peak
Organisations**
NORTHERN TERRITORY

Questions on Notice

*Parliamentary Joint Committee on Human Rights (PJCHR)
Inquiry into Compulsory Income Management*

Public Hearings - 5 July 2024

Proposed by: Senator Lidia Thorpe

Respondent: Aboriginal Peak Organisations Northern Territory (APO NT)

- 1. The Aboriginal Peak organisations have made multiple submissions around how compulsory income management is a failed regime and should not continue. Can you explain how you see this scheme in terms of the history of control and discrimination against Aboriginal people?**

Compulsory income management was introduced by the Howard Government as part of the 2007 Northern Territory Emergency Response ('the Intervention'). Like many policy responses in Indigenous Affairs, compulsory income management was a 'top down' government response, enforced with little or no consultation with the people or communities it affects.

As APO NT has submitted to the recent Inquiry into Compulsory Income Management by the Parliamentary Joint Committee on Human Rights, compulsory income management is disempowering, adds to stigmatisation, and fails to address unemployment and the underlying, structural issues that force Aboriginal people into poverty and financial hardship, often experienced intergenerationally. Rather than building capacity and independence, for many the program has acted to make people more dependent on welfare.

Income management is a blunt and wholly inadequate policy to address the unparalleled levels of poverty experienced by Aboriginal people in the NT. In remote NT, poverty rates are more than 60 per cent, and in some cases, much higher. The purported intent of income management is to help people receiving income support payments budget for the basics. A focus on improved budgeting is of limited utility when people have barely enough money to survive.

The National Agreement on Closing the Gap recognises that "when Aboriginal and Torres Strait Islander people have a genuine say in the design and delivery of services that affect them, better life outcomes are achieved." The imposition and continuation of compulsory income management ignores this fact.

- 2. What is your view of the Family Responsibilities Commission model, which fundamentally still facilitates non-voluntary income management, despite all calls from experts and the community?**

APO NT does not support broad-based compulsory income management.

Any model of voluntary income management needs to be self-determined, place-based and adequately resourced.

APO NT supports consideration of options for and safeguards around the quarantining of welfare payments in situations involving Child Protection or extreme vulnerability. These options must be considered and developed in partnership with Aboriginal community-controlled organisations and Aboriginal community leaders, in line with government's commitment to *Formal Partnerships and Shared Decision-Making* under the National Agreement on Closing the Gap (Priority Reform 1).

3. **Under the FRC model, the Commissioner holds the power to deny someone being removed from even voluntary arrangements. Is this what you call free, prior, and informed consent and self-determination as the per rights and freedoms First Peoples are entitled to under the United Nations Declaration on the Rights of Indigenous Peoples?**

Any policy or program for Aboriginal people should be consistent with the principles of free, prior and informed consent.

As noted above, APO NT does not support broad-based compulsory income management. Any model of voluntary income management needs to be self-determined, place-based and adequately resourced.

4. **Would you support a policy move that scrapped all forms of Income management and instead invested in programs that create real jobs, with proper award wages and conditions, adequate training and skills, and rebuilding local community decision-making?**

Genuine efforts to address the poverty crisis in remote NT must focus on policy measures that are preventative, strengths-based and systemic – designed with Aboriginal people and their representative organisations, consistent with the commitments under the National Agreement on Closing the Gap.

This should include the development of a new approach to remote employment and community development to replace the failed Community Development Program (CDP).

Government is familiar with APO NT's *Fair Work and Strong Communities* proposal that outlines a new way forward, centred on the twin goals of job creation and strengthening Aboriginal community-control.

The new Remote Jobs and Economic Development program is a step towards this. In our submission to the NIAA Discussion Paper on the new program (July 2024), APO NT has provided feedback to government as to how the current program design and governance can be strengthened.

APO NT continues to advocate for the four key elements of the *Fair Work and Strong Communities* model to be in place. These are:

- a) **Creating a minimum of 12,000 new jobs in remote communities** across Australia in the Aboriginal and Torres Strait Islander Community Controlled sector, including 1,500 paid training roles for young people. Communities should determine what jobs are needed and wanted – supporting communities' long-term aspirations for social, cultural and economic development.
- b) **Redesigning employment assistance** so that it is not based on appointments and meaningless obligations, but delivers a mix of services and programs that are relevant to local conditions, led by local people and are culturally safe.
- c) **Establishing a framework based on the Closing the Gap partnership principles**, to ensure that the development, implementation, monitoring and ongoing improvement of a new program is done in partnership with Aboriginal and Torres Strait Islander communities and their representatives, and that, as far as possible, delivery is through local Aboriginal and Torres Strait Islander Community-Controlled Organisations. A new approach requires **genuine Aboriginal and Torres Strait Islander decision-making** at the local and national levels.
- d) Making sure that the **programs and systems** that are needed for a successful employment program (like access to Centrelink, training and business support) **are in place and working effectively**.

In addition to remote employment reform, the following changes are necessary:

- 1) **Permanently and adequately increasing Jobseeker** and all other income support payments to keep people out of poverty.
- 2) **Substantially increasing the Remote Area Allowance (RAA)** to appropriately account for the higher cost of living of remote regions of the Northern Territory.
- 3) **Ongoing indexation of all payments (including the RAA)** in line with wage movements at least twice a year.
- 4) Targeted efforts by the Department of Social Services to **ensure that Aboriginal people in remote communities are receiving the payments for which they are eligible.**
- 5) **Improving the accessibility of Centrelink services** in remote regions, including increasing the number of staffed Service Centres.
- 6) **Further efforts by the Federal Government to protect people from predatory industries**, including pay-day lenders, online gambling and pokies.
- 7) **Further investment by the Australian and Northern Territory Government in culturally-appropriate evidence-based services** to address alcohol and drug misuse and problem gambling, and strengths-based, preventative family support programs.