

**To: Senate Finance and Public Administration Committee**

**Submission on the appropriateness and effectiveness of the objectives, design, implementation and evaluation of the Community Development Program (CDP)**

**Submitted by Anangu Lands Paper Tracker Project of Uniting Communities**

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## 1. Uniting Communities and the Anangu Lands Paper Tracker Project

Thank you for the opportunity to make a submission on the important issue of the Community Development Program (CDP) and its efficacy and impact on remote communities.

Uniting Communities works with South Australians across metropolitan, regional and remote South Australia through more than 90 community service programs.

The organisation is made up of a team of more than 1,500 staff and volunteers who support and engage with more than 20,000 South Australians each year.

The Anangu Lands Paper Tracker Project of Uniting Communities monitors government commitments to Anangu Pitjantjatjara Yankunytjatjara peoples and advocates for the timely and appropriate delivery of infrastructure, services and programs and policy frameworks, to improve the lives of people living in these remote communities. The Project provides information to Anangu communities in their first languages to support informed decision-making.

The Anangu Lands Paper Tracker has tracked progress made against key government commitments and areas of identified need since 2007. The main formats used for doing this include a weekly radio show broadcast in English and Pitjantjatjara/Yankunytjatjara, an informative website, an interactive Facebook page, and a quarterly electronic newsletter.

## 2. Introduction and focus of this submission

This submission aims to comment on a number of the Senate Inquiry's terms of reference, with a particular focus on the impact of the Community Development Program (CDP) in Anangu Pitjantjatjara Yankunytjatjara (APY) communities in the north west of South Australia.

Uniting Communities seeks to draw the Senate Inquiry's attention to a range of identified deficiencies in the socio-political and philosophical underpinnings as well as the design of the CDP and the negative effects and consequences that this Program is having on remote Anangu communities. Particular attention is also paid to the utilisation of Centrelink as the agency responsible for paying CDP participants. Reference is made to the interface between the CDP and the trial of the Cashless Debit Card in West Coast communities of South Australia.

In the conclusion of this submission, we aim to provide suggestions for a more responsive and appropriate approach to the high levels of unemployment across remote communities and the consequent need for better administration of income support benefits. What is required is a complete rethink and overhaul of the system, resulting in a response that focuses on the reality of high unemployment, the lack of job opportunities, and the livelihoods and wellbeing of people living in remote communities. While unemployment and the income benefits system are inextricably linked, it is argued that the conflation of employment and training initiatives with the income benefits system serves to undermine and bedevil the potential efficacy and implementation of both these initiatives, erodes people's sense of agency and generates confusion.

It is proposed that the administratively expensive and punitive model of the CDP is disbanded and replaced by a locally-controlled system that re-instates aspects of the CDEP that were previously found to be useful and workable. In addition, it is recommended that serious consideration be given to the introduction of an Unconditional or Universal Basic Income, in order to address the lack of available jobs, the high rate of joblessness, the pervasive experience of poverty, and the erosion of people's sense of agency and dignity as a result of the way in which the income support benefits system is framed.

### 3. Commentary on the terms of reference

#### **Terms of Reference One and Six**

*The adequacy of the policy process that led to the design of the CDP and the extent of consultation and engagement with Aboriginal and Torres Strait Islander communities in the design and implementation of the CDP, and the role for local decision making within the program*

[Note: Terms of reference one and six have been treated together because they address related issues.]

According to community members on the APY Lands, and based on an Anangu Lands Paper Tracker radio interview with SkillHire<sup>1</sup> (the CDP Service Provider across the APY Lands), CDP participants were merely informed of the change from the RJCP to the CDP but were not consulted or included in any discussions about the adequacy of the policy process or the design of the CDP. The new CDP was simply rolled out as a *fait accompli* and communities were required to comply.

*Suddenly, there was CDP. We had to learn a new way. Old CDEP and the other RJCP were just gone. The new CDP had no jobs like the old CDEP; the "E" part, the employment part, was taken out; the guts was taken out. We were just left with pretend jobs and punished for not doing the pretend jobs – APY resident and CDP participant.*

The Anangu Lands Paper Tracker Project of Uniting Communities has not found any evidence that APY communities were consulted about the design of the CDP or areas for its improvement, prior to it being announced or thereafter. By all accounts, community members were confused about the sudden introduction of the changed processes for them to access their income support money and were unsure as to what constituted 'work-like activities' that they were required to engage in to qualify for their income support benefits. The introduction of the new Centrelink reporting requirements and mechanisms remain unintelligible to many and have compounded the level of uncertainty and confusion.

As with many programs or schemes that are designed to create employment opportunities in remote communities, the CDP was designed and prescribed without sufficient recognition of the realities that exist in remote communities or the ideas and contributions of the communities themselves. It is therefore not surprising that communities are reluctant to engage or that people feel alienated by the imposed processes that they are required to comply with. It is therefore also not surprising that there has been a high incidence of penalties for non-compliance.

With regard to local decision-making and the implementation of the CDP, it seems that a number of community-identified and initiated ideas for CDP work projects have not been explored or considered by the CDP service provider.

*When we come with ideas about community projects to create jobs and get things going in our community, and we develop a plan and take it to SkillHire, we get no response from them. It's like they make all the decisions about what projects will be happening and then we have to fit in and work in those projects. We're not allowed to come up with our own projects that would train or employ people, like getting people involved in*

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<sup>1</sup> Anangu Lands Paper Tracker interview with SkillHire about the transition from RJCP to CDP, as recorded on 17 July 2015: <http://www.papertracker.com.au/radio/dave-couzner-and-community-development-program/>

*pastoral development projects. It's all top-down these days – APY resident and CDP participant*

It is noted that a significant number of submissions and independent research studies<sup>2</sup> had been conducted prior to and since the introduction of the CDP and that ample warnings were made about the potential pitfalls with the proposed Program and the need for a more considered, comprehensive and user-friendly arrangement. It would appear that these were not heeded.

### **Terms of Reference Two**

#### *The nature and underlying causes of joblessness in remote communities*

The CDP and its associated Centrelink mechanisms are premised on the existence of a labour market in remote communities, or at least on the existence of a sufficient number of jobs for wages. In the absence of such a market and given the casualised and precarious nature of those jobs that do exist, the foundations of the CDP rest on very shaky ground and have resulted in its failure. If there are few or no jobs, there will be joblessness – the causal link is not a mystery and is plain to see.

*This CDP makes us crazy! They tell us that to get CDP money we must have jobs or do some kind of work, but there are no jobs, there is no work. So, what are we supposed to do? – APY resident and CDP recipient*

Most remote communities are reliant on government investment in infrastructure and service provision for the generation and sustainability of their local economy. This form of government involvement could either be directed towards optimising employment opportunities or consigning people to reliance on income support. It would appear that the latter is the policy choice that has been made, with apparently limited attention having been given to maximising possible jobs for Anangu through, for example, the roll-out of the National Disability Insurance Scheme (NDIS), the construction and maintenance of community housing, the provision of aged-care services, community infrastructure maintenance and administration, or as part of other service provision programs. Many of the paid jobs available through government service provision are outsourced to external agencies and are frequently filled by non-Aboriginal employees.

Instead, the tendency has been towards the CDP automatically relegating the majority of participants into the welfare system rather than an employment system in which participants maintain their sense of agency and enjoy the dignity of work. This points to the need for a separation of the two currently conflated streams of employment and of welfare income support benefits. As far as possible, the options for employment with decent wages should be optimised, but where there are no jobs or where people are unable to work for whatever reason, they should then have access to income support.

Experience has shown, over many decades, that it is not a solution to require that job seekers leave their communities to find work. The requirement that people must apply for a set number of jobs each week and provide proof of this effort to their 'career pathway supervisor' who then records this information which is then accessed by Centrelink, is forcing some people to leave their communities to look for work. This is causing tensions in families and communities and is undermining the cultural responsibilities that people have. Besides many jobseekers feeling

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<sup>2</sup> Examples of these include an array of submissions to the Senate Inquiry into the *Social Security Legislation Amendment (Community Development Program) Bill 2015*, as found at [http://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Finance\\_and\\_Public\\_Administration/Social\\_Security/Submissions](http://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Finance_and_Public_Administration/Social_Security/Submissions)

alienated in new living and work environments, this arrangement is also creating added pressures and social difficulties in the towns and cities where people are seeking work.

The ahistorical approach adopted by the architects of the CDP and their lack of recognition of the historical factors and geographic isolation, as well as the political economy of most remote communities, has resulted in an unworkable arrangement that in turn has scapegoated remote community residents in order to compensate for its own structural and design failures. The unemployed and those reliant on income support are blamed and punished for their apparent lack of participation in what is a non-existent market.

It would be wrong to assume that the structural arrangements of the CDP include simple design failures that can be tinkered with in order to correct the inherent mismatches of the Program. The entire architecture and design of the CDP is driven by an ideological imperative that is based on a view that those requiring income support are 'dole bludgers' and 'leaners' who have made 'lifestyle choices'<sup>3</sup>, and should therefore be reformed by means of a punitive behaviour modification model. There are certainly structural factors (the lack of a labour market and certain design elements of the CDP etc.) that need to be addressed, but the deep-seated ideological agenda that informs the CDP should not be overlooked. The perceived problems of the CDP should not be ascribed to 'structural factors' alone; a more thoroughgoing political analysis and response is required.

### ***Terms of Reference Three***

#### ***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***

The nature and the conditions of joblessness in remote communities are complex and have been embedded over decades; they cannot be overcome simply by imposing a prescriptive program, however well-crafted it may or may not be. The CDP is fundamentally flawed and poorly crafted, it cannot be tweaked or salvaged in order to provide even a short-term solution to joblessness or to improved social, economic and cultural outcomes.

Given that the CDP, and its work-for-the-dole model, is not focused on the creation of sustainable and decent work for a living wage but is driven by an imperative to establish and maintain 'mutual obligation' and conditionalities in exchange for welfare benefits, this Program has no ability to transform the persistent joblessness in remote communities. Instead, the conditional and welfarist nature of the CDP serves to undermine how work is valued and understood and thereby reduces people's interest in engaging in employment. Doing 'work-like activities' in order to get your dole money does not boost self-esteem and is hardly an incentive to engage in employment. This approach ultimately serves to discredit the notion of work and of what it means to be employed and to earn a decent wage.

There is a need to revisit the notion of what constitutes 'work' and how communities situate work in their daily lives, and to recognise the range of activities that people are engaged in to support and sustain their lives and livelihoods and to maintain the social coherence of their communities e.g. collecting firewood, childcare, caring for the elderly, community leadership and governance, cultural responsibilities, caring for country etc.

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<sup>3</sup> The previous Federal Treasurer, Joe Hockey, referred to 'leaners and lifters' and the previous Prime Minister, Tony Abbott, referred to people living in remote communities as having made 'lifestyle choices'.

### *Terms of Reference Four*

#### *The impact of the CDP on the rights of participants and their communities, including the appropriateness of the payments and penalties systems*

##### *A punitive model*

The CDP is premised on a system of incentives and disincentives that will somehow ‘reform’ people’s attitude to work and their understanding of their ‘mutual obligations’; this is reminiscent of outdated behaviour-modification models. The CDP is a manifestation of a policy perspective that is assimilationist in its intent, and designed to enforce compulsion in order to require that remote Aboriginal people fit into an urban-based notion of both employment and welfare. This mainstreaming and compliance-based model leaves no room for people living in remote communities to define or pursue their own aspirations and needs within the context of a government support framework.

The CDP is essentially a punitive model that involves penalties for non-compliance. Under the CDP, the required number of work hours has increased from 17 to 25 hours per week. The penalties for non-compliance based on the ‘no work, no pay’ policy or for failing to report to Centrelink, can lead to a suspension of benefits for up to eight weeks. In the last financial year, 20,000 of the 35,000 CDP participants were fined; of these 90 per cent were First Nations people. Financial penalties are resulting in many participants not being able to meet their basic needs and/or incurring debt. This in turn generates family and social tensions.

Even in the absence of penalties, CDP payments equate to poverty wages and are not enough to live on. There are reports of people going hungry and being unable to feed their children.

*People are locking canned foods in crates and putting them under their beds or hiding them because other community members are coming in and going through their fridges and cupboards and taking food out of desperation. People are going hungry. One member of the family has to stay home and guard the food so that there’s something to feed the kids when they get home from school. You won’t believe how desperate this CDP is making people - APY resident on CDP*

##### *Interface between the CDP and the Cashless Debit Card*

For those who have been subjected to income management via the BasicsCard or being mandatorily placed on the Cashless Debit Card (i.e. communities across the West Coast and Ceduna region of South Australia and in Kununurra and Wyndham in Western Australia), they experience a doubly punitive arrangement. Not only are people on the CDC subjected to the challenges of the CDP, they also have 80 per cent of their income benefits quarantined on a conditional debit card, with access to only 20 per cent of their benefits in the form of cash.

*I used to think that CDP was really bad but now that I’m forced to also be on the Cashless Card, my life is twice as bad. I have to mess around with silly jobs that aren’t any use to anyone and then on top of that, I have to have my welfare money controlled. When are they going to stop messing with our lives?! – West Coast community resident on CDP and Cashless Debit Card.*

Many people who are on CDP and either the BasicsCard or the Cashless Debit Card find it difficult to work out the source of problems if and when the amount of money in their Card is not what they



expect it to be. They then have to spend time and effort trying to establish whether the problem lies with their CDP hours and the reporting on these and possible associated penalties or whether there is a miscalculation or fault with their Indue Card.

The CDP, the BasicsCard and the Cashless Debit Card are manifestations of the punitive and paternalistic ideology that underpins the attitude to those on income benefits, and which informs the design of these models of income management.

#### *An inflexible and unresponsive model*

The lack of flexibility of the CDP is evident in the approach to job seeker assessments. In order to be exempted from all or some of the CDP requirements, Centrelink assessments of job seekers can involve health and psychological screenings. Given geographic constraints, these assessments are frequently undertaken over the phone and, in many reported cases, without access to language interpreters and with extremely long waiting times.

These assessments include those on the disability pension, some of whom are not necessarily able to independently engage with Centrelink or communicate verbally. The Anangu Lands Paper Tracker has been told that a number of people with disabilities are not being properly assessed for the disability pension, largely because the CDP does not accommodate an individualised approach. People with a disability are receiving a less effective service than they were under the Disability Employment Services or the RJCP. This is resulting in them having fewer and less appropriate employment outcomes under the CDP.

*I have a problem hearing and I have other issues. I'm on DSP. I can't hear on the phone and I can't explain to Centrelink about my problems. They make me talk in English. My English isn't good. I'm happy to do some work but they never make that happen. I just get frustrated and want to give up – APY resident and DSP/CDP recipient.*

Centrelink's failure to offer or provide language interpreters is having a significant impact on the ability of participants to engage and explain their situation to Centrelink or to understand what is required of them. The Northern Territory Aboriginal Interpreting Services (NTAIS) has the contract to respond to requests from Centrelink for the provision of language interpreters. However, a number of CDP recipients have indicated that when they finally get through to Centrelink they are invariably not offered the option of communicating with the support of a language interpreter.

#### *Technological obstacles*

The CDP lacks flexibility and requires that participants meet demands that are frequently technologically and logistically impossible. The administration of CDP is reliant on computer and telephone communication systems.

Unreliable technologies and the frequent power outages across remote communities as well as the lack of phones and access to computers have significant implications for participants when attempting to report to Centrelink. When the lines are down and participants are unable to report, they are then found to be in breach and lose a significant percentage of their income support money.

*The APY Lands loses power lots of times. Between December and March, there was no power, eight times. The phones and the computers in the PY Ku Centre don't work when there's no power. We can't report to Centrelink, so next thing, we lose too much Centrelink money. Then we can't feed our kids. Then people turn round and growl us for not looking after our kids – APY resident and CDP recipient.*

### *Co-ordination challenges*

The challenges of the CDP system are compounded by the fact that the CDP involves two government agencies – the Department of Human Services (Centrelink) and the Department of Prime Minister and Cabinet (CDP training, employment and recording of hours worked). In the absence of adequate coordination and communication between these two agencies, CDP participants can become caught up in confusion and their cases can be misrepresented.

Besides the lack of integration across these two government agencies, the lack of inter-agency linkage and engagement across service providers and facilities serves to further entrench the problems encountered by CDP recipients. It would appear that there is not a joint or integrated approach to identifying what jobs are needed across a community and the requisite training or skills-set available to execute these jobs. There are, in some cases, a number of training courses provided in the absence of the development of a practical continuum of employment demand. Training for training sake is frequently undertaken, without necessarily giving attention to the jobs that trainees can then feed into. All too often service providers, training organisations and training facilities do not sufficiently link-up or co-ordinate their efforts.

### **Terms of Reference Seven**

#### **Alternative approaches to addressing joblessness and community development in remote Indigenous communities**

#### **Policy disconnect**

Following Sheehy and Feaver (2015), in order for the CDP system to demonstrate a consistent and inherent logic, it needs to ‘ensure that the characterisation of the organising problem and the framing of the policy response bear a coherent relationship’.<sup>4</sup> This would suggest that the persistent problem of the lack of paid jobs in remote communities, combined with the targeting of unemployed people who are required to comply with an unworkable system (falsely premised on the existence of a labour market, which in reality is negligible), can only result in a significant social policy disconnect and will predictably fail. The efficacy of any alternative approach to the current CDP will require congruity between the reality of joblessness and any proposed policy response.

#### **Potential inclusions for an alternative approach**

##### *Community engagement:*

Prior to assuming any inclusions in the design of an improved approach, it would be essential for the Federal Government to engage with remote communities about their views and needs. Bearing this in mind and on the assumption that appropriate negotiation with communities will occur, this submission suggests that the following be given consideration.

##### *Unconditional Basic Income:*

In order to address the existing policy disconnect and the unworkability of the CDP, it is proposed that serious consideration be given to the introduction of an Unconditional or Universal Basic Income (UBI), in order to address the lack of available jobs, the high rate of joblessness and the pervasive experience of poverty in remote communities.

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<sup>4</sup> Sheehy, B and Feaver, D (2015) ‘Designing Effective Regulation: A Normative Theory’. University of New South Wales Law Journal 392, p. 410, as cited in Shelley Bielefeld’s submission to the Senate Finance and Public Administration Committee on the Social Security Legislation Amendment (Community Development Program) Bill 2015.



Access to a UBI would do away with the current conditionalities and punitive compliance measures, and encourage communities to organise and self-manage the community jobs that they themselves identify in conjunction with available service providers.

*Key principles:*

The following aspects could be incorporated into a new approach:

- The principle that people would obtain income from work rather than from income support money, and that the nature of the paid work provides benefits that are preferable to receiving welfare.
- That appropriate links be made between the cultural, infrastructure, service and governance needs of the community and the associated and relevant skill-sets, training and available job opportunities.
- That all opportunities for job creation are explored by government agencies and service providers and that these are optimised and made available to community residents, in such a way that responsive place-based solutions are developed which support the needs and aspirations of each community.
- That in addition to jobs within government and service provider organisations, communities identify jobs that will benefit their own communities and that these are resourced through a grant allocation to community councils.
- If an Unconditional Basic Income is not adopted, and in the absence of job opportunities or in the event that people are unable to participate in work, there should be a separate and appropriate social security safety net in place that provides people with an unconditional and decent standard of living.

*Disband CDP and consider aspects of CDEP model:*

The administratively expensive and punitive model of the CDP is to be disbanded and replaced by a locally-controlled system that re-instates aspects of the CDEP that were previously found to be useful and workable. Driven at a community level, the needs and interests of the community and its job seekers should be identified and a responsive work program designed to meet those needs. This approach was apparent in the CDEP, with its Community Action Plans and communities themselves determining the work that needed to be done in the community, and award wages being paid for the execution of this work. Under this previous arrangement, a lump sum that was equivalent to the aggregated individual unemployment benefit entitlement was paid to each incorporated Aboriginal Community Council. In conjunction with community residents, each Community Council developed a work program and engaged residents in projects of benefit to the whole community. In addition, the councils were paid to administer the scheme. Although by no means perfect, the CDEP created increased opportunities for participants to engage in useful work and receive real wages, while at the same time strengthening the governance and agency of the Community Councils as well as developing the broader social cohesion of the community.

*Respect for communities:*

Fundamental to any change in the way in which employment opportunities are maximised or income support benefits accessed, is the need for the government to move away from its prevailing practise of viewing remote communities as *projects* that require 'treatment' or 'evaluation' or 'reform' by government agencies. This attitude of the 'projectisation' of communities is the result of an inherently paternalistic attitude to remote community residents, and has opened the way and resulted in the articulation of programs such as the Community Development Program and the Cashless Debit Card. Moving away from this 'projectising' of communities will require an attitude of genuine respect for the residents of remote communities and for their right to self-determination and autonomy.

## 4. Conclusion

While recognising that unemployment and the income benefits system are inextricably linked, the current conflation of employment and training initiatives with the income benefits system serves to undermine and bedevil the potential efficacy and implementation of both these enterprises.

Unemployment and joblessness in remote communities should be addressed as an employment issue rather than as a social welfare issue. Continuing with the current arrangement will only serve to erode and disadvantage communities and families and result in unproductive and damaging perceptions of the value of paid work and the relevant applicability of a social income safety net.

It is proposed that job opportunities should be maximised through the existing service providers, in order to enable job seekers to engage in real work with award wages based on proper conditions of employment. In addition, the needs and objectives as defined by communities should determine meaningful and productive local work initiatives. It is proposed that such an arrangement would be managed by community-based providers who would be accountable to their respective communities and the relevant funding agency. For those who are unable, for whatever reason, to secure the available jobs, they should have access to an adequately resourced social security safety net.

The current CDP is entrenching poverty and welfare dependency. What is required is a complete rethink and overhaul of the system, resulting in a response that focuses, on the one hand, on the reality of high unemployment, the lack of job opportunities, and the livelihoods and wellbeing of people living in remote communities and, on the other hand, on the availability of a respectful and responsive social security safety net for those who cannot engage in paid employment, for whatever reason.

The design and implementation of any new arrangement must involve direct collaboration with and input from remote Aboriginal and Torres Strait Islander communities and their organisations.