

## OPENING STATEMENT

I would like to make a short statement that gives some background to measures that benefit Indigenous Australians in this year's budget.

This budget locks in our \$5 billion investment in the Indigenous Advancement Strategy which is continuing to deliver outcomes in school attendance, employment and community safety.

The Indigenous Advancement Strategy is delivering great results.

We have successfully achieved 67,300 employment placements for Indigenous Australians under the Indigenous Advancement Strategy: Jobs, Land and Economy Program from September 2013 to 30 April 2018 including through Vocational Training and Education Centres and our Employment Parity Initiative which funds major companies to meet job targets in their companies

In secondary schools, since the commencement of the Indigenous Advancement Strategy in July 2014, the Australian Government has committed more than \$400 million in activities to help over 25,000 Aboriginal and Torres Strait Islander young people stay engaged, complete their secondary school education and make successful post-school transitions. These activities include secondary scholarships, school-based sporting academies and mentoring programmes tailored for Indigenous students.

The Remote School Attendance Strategy now operates in 78 schools and employs over 500 people and of these around 95 per cent identify as Aboriginal and Torres Strait Islander.

More than 2,000 First Australians have full-time, part-time and casual jobs as a result of our investment in Indigenous rangers. When combined with the jobs created through the Indigenous Protected Areas program, over 2,900 jobs have been created.

And in the Budget reforms to the Community Development Program will give remote job seekers access to:

- real wages;
- tailored support to provide pathways to employment; and
- opportunities for long term employment.

By introducing the Community Development Program in July 2015, we responded to what community leaders and elders had been saying they wanted for their people – an end to passive welfare.

Communities wanted access to real jobs, paying real wages, and activities that instil responsibility and give people the opportunity to do something of value for their communities.

We needed a response that changed job seekers' behaviour. No more sit down money. A response to fix the abysmal 7 per cent engagement under Labor's Remote Jobs and Communities Program.

The CDP has delivered on this.

Since the program commenced it has supported remote job seekers into more than 23,500 jobs and on more than 8,100 occasions, they have stayed in a job for more than six months.

However – while the CDP is making progress – I have always been clear that more needs to be done to maintain momentum.

When I have visited communities, I have listened to the concerns of job seekers and community leaders.

I took this feedback to Government and we have taken it onboard.

As part of the 2018-19 Budget, this Government has announced a suite of reforms to the CDP.

These reforms will increase the number of people being employed in remote Australia, while also improving the experience for remote job seekers as they move through the program.

Through these reforms we are responding to what people have been calling for.

This will mean 6,000 of the most job-ready remote job seekers will now no longer solely rely on welfare as their only source of income.

This means job seekers will have access to:

- real wages, equivalent to the minimum wage or above;
- superannuation and other work place entitlements; and
- an opportunity for long term employment.

These jobs will create a genuine pathway into work and off welfare.

We will also continue to support our more vulnerable job seekers, making changes to ensure they are not required to participate beyond their capacity.

We are reducing the mutual obligations hours for remote job seekers, from the current requirement of up to 25 hours per week, to up to 20 hours per week.

We will also reduce income reporting requirements for some job seekers – job seekers with participation requirements of less than 15 hours will now only have to report to Centrelink every quarter, not every fortnight.

This will make interacting with Centrelink much easier and remove penalties for not reporting on time.

We will improve job seeker assessment processes – including making it easier to get the medical evidence to clearly identify any barriers to work.

Communities are front and centre of these reforms and will be actively involved in their implementation.

From July 2018, all CDP providers will be Indigenous organisations, and will work hand in hand with local communities to design and deliver activities that meet cultural and economic aspirations of communities.

But let's be clear – I continue to expect job seekers to be standing up and participating, and if they don't turn up, there will be some consequences.

However, this is reform that will result in far fewer penalties.

I am confident this suite of reforms will significantly improve the CDP and deliver the reform that people have been calling for.

This is reform that will deliver a future and renewed sense of purpose for people living in remote Australia.

Real wages, real skills, real jobs.

I intend to keep listening to what people want – this is particularly important as we start the process of implementing these reforms.

We will work with remote communities and remote job seekers to outline these reforms, as they will be at the forefront of how the reforms will be implemented.

The input of communities and all stakeholders will be essential to ensure we can refine the detail that will sit behind each of the reforms - to ensure they meet the needs and expectations of remote communities across Australia.

Finally, I would like to address some questions from Senator McCallister of the Finance Minister earlier in the week about funding for Indigenous rangers.

My announcement of \$250 million over three years for Indigenous rangers is an extension of funding and was already anticipated in the forward estimates of the Indigenous Advancement Strategy as part of Programme 2.1 Jobs, Land and Economy.

As it is not a new or changed policy, funding for rangers was not required to be published in the budget papers.

The IAS is an ongoing measure that was announced in the 2014/15 Budget and these announcements are about the allocation of this funding. It is in my Department's PBS as it should be.

This investment, along with the Capacity Building for Indigenous Rangers Strategy, brings investment in Indigenous Rangers to more than \$640 million over eight years, providing longer term security for Indigenous rangers, organisations and communities.

The Government has been a strong supporter of Indigenous rangers since we introduced funding for the program under the Howard Government in 2007.

I thank you for allowing me to make this statement.