



Inquiry into the Social Security Legislation Amendment (Community Development Program) Bill 2018

Miwatj Employment and Participation (MEP) is the Community Development Program (CDP) Provider for the far Northeast Arnhem Land (comprising communities such as Yirrkala Gunyangara, Gapuwiyak, the mining township of Nhulunbuy and the Homelands of the Laynhapuy region), and has been since mid-2013 (when the program was known as the “Remote Jobs and Communities Program”.

MEP’s goals are the same as the Australian Government’s goals: to implement a compliance framework that fosters individual responsibility and individual accountability, and which works in conjunction with existing measures to engage welfare recipients to develop their own economic independence. MEP feels the Bill’s Explanatory Memorandum contains motherhood statements that are non-sequential with the provisions being proposed, and urges the Senate to consider the “devil in the detail” of how provisions will interact with real-life barriers of CDP participants. MEP believes i) this Bill will do more damage than good; and ii) it scuttles a genuine opportunity for tangible positive change to the program. We have tried to keep this submission as succinct as possible.

Provisions to apply the TCF to CDP participants, to remove one-off breaches of mutual obligations and focus on the persistently, wilfully non-compliant.

The Department has clearly stated that the TCF was never designed or intended to apply to remote areas, and that TCF consultations never included remote stakeholders. While the Department glosses over this detail, MEP feels that absence of consultation (with the people that the policy affects) is a fundamental failing in proper policy design. The TCF’s poor applicability to CDP participants reflects this.

The Department bases the TCF design on an urban context, where:

- i) The vast majority of jobseekers are compliant and rarely experience breaches.
- ii) The “persistently non-compliant” are non-compliant *wilfully*.

The TCF may be appropriate (and successful) in the urban context where these two assumptions hold true, however it is not appropriate in the remote context where, contrary the urban context:

- i) The vast majority of CDP jobseekers experience breaches on a weekly basis.
- ii) The “persistently non-compliant” are non-compliant *due to significant barriers* (rather than any ill will).

MEP does not support these provisions, for the following reasons:

- It represents no tangible improvement on the current compliance system. The TCF remains *complex* (hard to understand), *delayed* (compliance occurs well after

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transgressions), *non-proportional* (compliance doesn't match transgressions) and *non-transparent* (not visible to jobseekers).

- It fails to tap into positive psycho-social change motivators.
- 4 week non-payment periods have no option of waiver. Even if a participant re-engages after 2 weeks of non-payment, they can not have payments reinstated till the conclusion of the 4 week non-payment period.
- It fails to replicate the "reward for effort" work ethic that characterised CDEP's wage-like system, and which represents the most vocal criticism from communities.
- Between the current compliance system and the TCF, the current compliance system (rather than the TCF) actually represents the better of two evils.
- The JobActive program has *less than three months'* worth of data with which to evaluate the framework in their own context; it is far too early to determine whether the framework should be extended to the remote context.

Provisions to reduce mutual obligation hours will be reduced from up to 25 hours per week, to up to 20 hours per week, depending on a job seeker's assessed work capacity.

MEP supports these provisions, for exactly the reasons cited, however would like to re-iterate (as we have done for the past three years) that the inability to allow these hours to be fulfilled over a flexible week – in and around an individual's family and cultural obligations – remains an ongoing barrier to CDP engagement.

Provisions for local health workers to supply evidence for the Department of Human Services to use when deciding whether to reduce a participant's mutual obligation hours.

MEP supports these provisions, for exactly the reasons cited.

Provisions for the creation of 6,000 subsidised jobs in remote Australia, to enable participants to experience real-life work conditions while developing on-the-job work skills.

MEP supports the creation of subsidised jobs in remote Australia, however this Job Creation Package concept is still largely unformed and untested. MEP supports these provisions with the caveat that far more consultation and scenario-testing is required before a suite of guidelines can be developed that brings tangible positive change without creating an artificial labour economy.

Although there are some positive moves in the proposed legislation, MEP feels that it should not be passed in its current form.

MEP would be happy to appear a witness for the Senate's inquiry if the Senate sees fit.

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