

Submission prepared for:

Senate Standing Committee on Finance and Public Administration

Social Security Legislation Amendment (Community Development Program) Bill 2015

The Roper Gulf Regional Council (RGRC) welcomes the opportunity to make a submission to this Bill. Overall we believe the concept of the Bill has some merit but the timing of trialling or implementing this concept is far too early. The transition of Remote Jobs Communities Programme to the new Community Development Programme that was introduced on 1 July 2015 was just over six months ago. It is too early because you do not have significant data to show whether the mutual obligation process and the consistency of attendance records is insufficient to warrant a change of process.

In the Minister's speech (2 December 2015) he states that there is evidence showing that further reforms to the income support system is required for remote communities to drive the behavioural changes needed to get people active, off welfare and into work. This could be achieved with more timely and accurate responses from Centrelink without moving the problem to another agency. This Bill, if passed would give the Minister the power to make new rules without reference to Parliament. This factor may not have been intended but as a result it removes an important democratic process. The lack of consultation to date on this Bill has also raised concerns with our elected members.

By moving the payment process to a CDP provider, the provider could be faced with a conflict of interest as the provider may not want to record absences and penalties because it will effect their own targets.

Certainly the weekly concept is valid in that it can directly be seen as a consequence and the remedy is sooner. RGRC is not adverse to be party to the process of payments being administered locally but recognises the security element for its staff. It has already been noticed the increase of aggression in some of our remote communities to staff as a result of the payments being stopped by Centrelink. At this point in time the CDP staff can encourage the participant to meet these obligations to ensure no further stoppages occur, the separation of their activity and their payment is a safety barrier.

Also how or who is going to assess the income payments due for the families? At the moment the Department of Human Services do this assessment, it is unlikely that the splits for social welfare and work for the dole information can be accessed by a CDP provider. Currently the Department of Human Services determines the 'serious failure' that is applied

to the eight week penalty, but a Comprehensive Compliance Assessment must be undertaken first.

If a CDP provider does take on the remote income support payments this will increase the administration of this programme and will increase numbers of staff to meet these new requirements. While increase in staff is not an issue in cities and urban areas, finding suitable administrative staff that are objective and not connected to community members on CDP programmes is limited.

The current CDP programme has already increased our compliance and administrative staff by 50%. This has been caused by the complicated processes introduced, the inadequacy of the IT systems that were not completed until end of December 2015 at PM& C, and the lack of reporting feedback where we have been told that the Employment Service report that reflect how our payments are calculated are done through a manual process, prepared by National office. If the current programme is not ready how can you introduce new changes and expect great results.

Good policies are the result of good programme design. This Bill does not reflect good programme design or a policy based on evidence based research. It may make good common sense and RGRC agrees the concept has some merit; however it has not given the current new programme a chance to see if the current changes will effect attendances and the past behavioural elements. From our own data we have seen exponential growth on attendances since July of 0.9% to 60.5% at end of December. RGRC believes that more emphasis be given to the current programme, in time, and for you to get your systems in order, then assess whether your proposed changes will add value sufficient to make a difference without increasing costs to any parties.

If this Bill does proceed through to its final reading and is passed in Parliament please be confident that RGRC will be ready to implement these changes.

If there is an opportunity we would like to speak to this submission.

Michael Berto

CEO

Roper Gulf Regional Council