

Chapter 4

Impacts of CDP on communities and individuals

Introduction

4.1 Many of the submitters and witnesses to this inquiry have highlighted the negative impacts of the Community Development Program (CDP) on individual participants and their communities with some describing it as 'an unmitigated disaster'.¹ Mr Hans Bokelund, CEO of the Goldfields Land and Sea Council made clear his view that the CDP and its predecessor, the Remote Jobs and Community Program (RJCP), 'is inflicting damage on Aboriginal remote communities'.² These impacts relate to:

- Financial penalties;
- Reduced pay and conditions
- Limited ability to engage with external bureaucracy;
- Social dislocation in remote communities;
- Labour market issues;
- The nature of work-like activities; and
- Limited ability for the bureaucracy to engage with participants.

Financial penalties

4.2 Higher penalties were introduced under the RJCP; however, since CDP began the number of financial penalties applied to unemployed people in remote communities has risen rapidly as a result of non-attendance (see Figure 4.1 below).

4.3 As the National Social Security Rights Network (NSSRN) noted:

One of the main drivers of the current problems are the more onerous mutual obligation requirements which apply to CDP participants, compared to other job seekers nationally...As a result, penalties for failure to attend activities have sky rocketed under CDP.³

1 Ms Christine Boase, Treasurer, Laverton Leonora Cross Cultural Association, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 27. See also, for example: Dr Shelley Bielefeld, *Submission 11*, p. 2; Jobs Australia, *Submission 19*, p. 11.

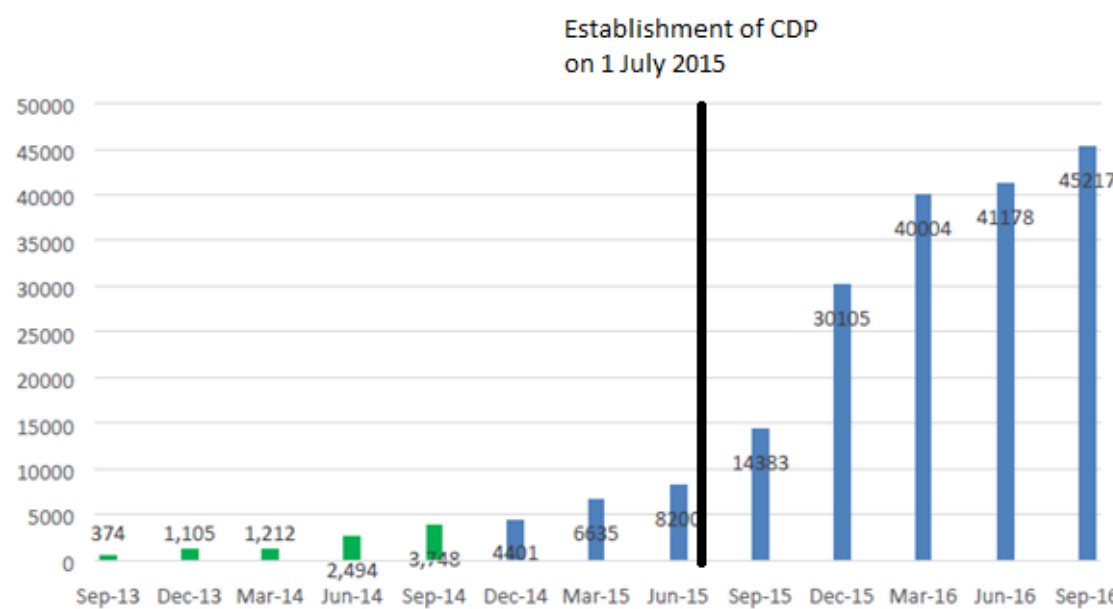
2 Mr Hans Bokelund, Chief Executive Officer, Goldfields Land and Sea Council, *Proof Hansard*, 23 August 2017, p. 44.

3 NSSRN, *Submission 21*, p. 3; see also Jobs Australia, 'The Design and Implementation of the Community Development Programme', Submission in response to the ANAO audit, April 2017, p. 4, https://www.ja.com.au/sites/default/files/jobs_australia_submission_design_and_implementation_of_cdp.pdf (accessed 9 June 2017).

4.4 Job seekers under both the CDP and its non-remote counterpart JobActive are subject to the same national Job Seeker Compliance Framework. JobActive is the mainstream work for the dole program that is operated in all non-remote parts of Australia.⁴ In the six months after the government announced its intention to replace RJCP with CDP, 14 835 No Show No Pay penalties were applied compared with 8 149 during the previous six months.⁵

4.5 In the first 12 months of CDP, CDP jobseekers received more than half of all penalties applied to all job seekers nationally, even though they represented fewer than five per cent of the total number.⁶ According to the Department of the Prime Minister and Cabinet (PM&C), there were 43 656 financial penalties applied in CDP regions in the December 2016 quarter. Around 80 per cent related to No Show No Pay.⁷

Figure 4.1—No show No pay penalties (non-attendance at activities)⁸



4.6 The Central Land Council commissioned research to capture a snapshot of views from people in selected remote communities. All respondents found the penalty system extreme, and all reported that they or someone in their family had been penalised, placing financial strain on the family. CDEP was universally viewed as a better program because it was thought of as a 'real job'. Many respondents stated that

4 See: Department of Employment, 'Work for the Dole', 9 May 2017, <https://www.employment.gov.au/work-dole> (accessed 10 October 2017).

5 L Fowkes and W Sanders, *Financial penalties under the Remote Jobs and Communities Program*, Centre for Aboriginal Economic Policy Research, Working Paper No 108/2016, p. 6.

6 Jobs Australia, 'The Design and Implementation of the CDP', p. 4.

7 Department of the Prime Minister and Cabinet, *Submission 36*, p. 10.

8 Professor Jon Altman, *Submission 26*, p. 11.

CDP was 'demoralising and disempowering', and had quit the program entirely leaving individuals with no income or support.⁹

4.7 The Minister for Indigenous Affairs, Senator the Hon Nigel Scullion has recently pointed out that 'waiver provisions are in place to ensure that financial penalties...do not cause undue financial hardship', and that more than 90 per cent of eight-week non-payment penalties are waived.¹⁰

4.8 The Minister's statement that CDP penalties do not impose financial hardship on participants and their families is at odds with evidence presented to the committee. Mr Gerard Coffey, CEO at Ngaanyatjarra Council told the committee that between '15 and 20 per cent of [600] jobseekers don't receive any money' in his council area.¹¹ In the Mulga Queen community, 500 kilometres north of Kalgoorlie, around half of CDP participants are currently breached and not receiving income support.¹²

4.9 The committee were told that up to one-third of participants on Palm Island in the month of September 2017 were subject to a no payment penalty. When asked the effect of having one-third of participants with no money has on a community, Mr Nathan Vinson, Community Development Program Manager at Campbell Page explained:

It's going to have a great impact on the community. If people do not have jobs, then rent can't get paid—they can't get pay their power bills either, telephone bills. Basic services will start to fail. There is a housing shortage on Palm Island so you will find a lot of family members will be living in the same house together. As they do in a community, they all come together and help facilitate the lack of funding that they might have. [If] somebody doesn't have a job, then somebody else will help them out.¹³

4.10 Dr Kirrily Jordan, Research Fellow at the Centre for Aboriginal Economic Policy Research (CAEPR) at the Australian National University noted that the rate in the first 18 months of CDP was more than seven penalties per person, compared to one penalty for every four people in JobActive, the government's employment services program that operates outside remote Australia.¹⁴

4.11 According to Aboriginal Peak Organisations Northern Territory (APO NT):

9 Central Land Council, *Submission 35*, p. 12.

10 Senator the Hon Nigel Scullion, 'Facts don't back up ANU report on CDP', p. 2.

11 Mr Gerard Coffey, CEO, Ngaanyatjarra Council, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 40.

12 Ms Vanessa Thomas, Director, Nurra Kurramunoo Aboriginal Corporation, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 51.

13 Mr Nathan Vinson, Community Development Program Manager, Campbell Page, *Proof Hansard*, Palm Island, 4 October 2017, p. 9.

14 Dr Kirrily Jordan, *Submission 30*, p. 11.

Independent analysis of government data shows that penalties applied to CDP participants have more than quadrupled since the government introduced the program, and continue to rise.¹⁵

4.12 Submitters have noted that there are practical implications for vulnerable people that stem from financial penalties under the CDP that are highlighted in Box 4.1. The social impacts of financial penalties are discussed later in the chapter.

Box 4.1—Case studies outlining the impact of financial penalties on members of remote communities¹⁶

Female—28 years. Mother to 6 year old, and 20 weeks pregnant. Medical history of renal failure and low iron...cut off Centrelink for 8wks as she was unable to work outside in mid-summer heat. Referred via clinic to service provider for emergency food assistance.

55 year old female who came to see Money Mob Team about trying to get her super out and asking for a loan. Client receiving \$1216 per fortnight in Centrelink payments, advised she spends all of this amount. On further investigation, client advised she has 5 other adults and a two year old living in the house, and is expected to pay all the rent and food for all of these people. Other adults in the house refuse to engage with Centrelink, client says their reason is they find it too hard to talk to whitefellas and it takes too long to wait on the participation line to talk to them. Because culturally it is so difficult for Anangu to say 'no' to family members, this woman is effectively being financially coerced and deprived by her family members. The system is not effectively modifying the behaviour of the target group, but is having negative unintended consequences for others.

Pregnant Mother 27 years of age, has contacted NPY WC requesting [Emergency Relief Funding] at least 7 times in the course of her 3rd pregnancy, not all were met due to eligibility requirements. Also during the course of her pregnancy she has been suspended twice from her Centrelink payments because of not meeting working requirements. (Between July-Dec 2016).

When Mother's payments have been processed during the third pregnancy, there are deductions of at least \$260 per fortnight because of personal loans, bush bus fees and school food fees for her 2 children. All of which are not being paid off during her 8 week suspensions.

Completing required hours to receive payments has been challenging due to a number of reasons for Mother including, high transience, domestic violence, partner's payments being suspended and at times reportedly caring for a grandmother and not receiving carer's payment.

15 'Aboriginal Peak Organisations welcome Senate inquiry into Community Development Program', Central Land Council, 23 March 2017, <http://www.clc.org.au/media-releases/article/aboriginal-peak-organisations-welcome-senate-inquiry-into-community-develop> (accessed 16 June 2017).

16 NPYECS, *Submission 28*, pp 13–15.

Higher obligations under CDP compared to JobActive

4.13 The committee were concerned to hear that different attendance requirements are placed on participants in CDP compared to those in JobActive. For instance, participants in CDP are required to engage in 'five hours of regular work-like activities' for 'five days a week, 12 months a year' or 1150 hours per year.¹⁷ This requirement is imposed as soon as a person joins the CDP. In contrast, a person joining JobActive might only be expected to work 7.5 hours per week (350 hours per year), with these hours increasing to 14 hours after 12 months.

4.14 Figure 4.2 shows the difference in activity requirements between JobActive and CDP:

Figure 4.2—Comparison of activity requirements—JobActive and CDP¹⁸

Category	jobactive (July 2015 – June 2020)	CDP (July 2015 – June 2018)
Point at which annual activity requirement (Work for the Dole) starts	Annual activity requirement starts after 12 months or more of receiving assistance. Work for the Dole is the default, but jobseekers can opt for accredited training, voluntary work, part-time work or another approved program	Work for the Dole activity requirement starts immediately and is mandatory for 18–49-year-olds with full-time work capacity, unless in part-time work
Hours of activity required (other than early school leavers under the age of 22) – people with full-time work capacity	Aged under 30: 650 hours over 26 weeks each year (50 hours per fortnight) Aged 30–59: 390 hours over 26 weeks each year (30 hours per fortnight)	Aged 18–49: 25 hours per week in Work for the Dole activities on an indefinite basis, with up to 6 weeks time off (with approval) each year (1150 hours each year)
Early school leavers who are less than 22 years of age	25 hours per week (less for principal carers and people with part-time work capacity)	25 hours per week (less for principal carers and people with part-time work capacity)
People with part-time work capacity and principal carers	Aged under 30: 390 hours over 26 weeks each year (30 hours per fortnight) Aged 30–59: 200 hours over 26 weeks (15–16 hours per fortnight)	30 hours per fortnight or up to work capacity. Approximately 600 hours each year, noting that principal carers may not be required to participate during school holidays

4.15 Dr Lisa Fowkes, Research Scholar at CAEPR at the Australian National University explained:

[S]o, for example, a 35 year old under CDP would start 'Working for the Dole' as soon as they joined the program, and would be expected to work 5 days per day for 46 weeks per year – that is 1150 hours each year. Under JobActive they may have to 'Work for the Dole' up to 350 hours each year if they don't find work after 12 months (increasing to 650 hours per annum next year).¹⁹

17 Department of the Prime Minister and Cabinet, *Submission 36*, pp 1 & 4–5. See also: Dr Lisa Fowkes, *Submission 8*, p. 9.

18 L Fowkes, 'Impact of CDP on income support of participants', in K Jordan and L Fowkes, *Job Creation and Income Support in Remote Indigenous Australia: Moving forward with a better system*, CAEPR Topical Issue No 2/2016, p. 17.

19 Dr Lisa Fowkes, *Submission 9*, p. 9.

4.16 Ms Rachel Atkinson of the Palm Island Community Company was quite frank in her assessment of this discrepancy:

First and foremost, I believe it is racially discriminatory to remote Aboriginal communities. If it's good enough to say 25 hours there [remote community of Palm Island], it's good enough to do it here in Townsville [where JobActive applies].²⁰

4.17 Mr Michael Hobday of the CDP provider, RISE Ventures, described the 'inequity and inequality' that exists between CDP and other employment programs.²¹

4.18 Ms Katie Owens, Manager at Rainbow Gateway, a CDP Provider noted her organisation's view that there needs to be 'changes to the CDP activities and mutual obligations to be in line with JobActive'.²²

Reduced pay and conditions

4.19 Under CDEP, participants were able to top up their incomes, giving providers the ability to offer incentives for increased participation, and participants being paid the equivalent of award rates of pay and conditions such as superannuation and long service leave. Under CDP, there is no incentive for participants as the effective rate of pay is well below award rates and the minimum wage.²³

4.20 Dr Shelley Bielefeld, a Research Fellow at CAEPR argued that:

Thousands of CDP participants are locked into work at a rate well below award rates, with no work entitlements or protections and with little or no prospect of earning additional income or leaving income support.²⁴

4.21 The committee also heard that all CDP participants who work 25 hours per week are doing so for significantly less than minimum wage. Ms Tina Carmody, the Working Together Coordinator at the Kalgoorlie-Boulder Chamber of Commerce and Industry noted that CDP:

They are doing it for \$10 an hour, which is under the minimum wage. But they get \$17 an hour on Work for the Dole. So there is a huge gap that also needs to be addressed because the psychological issues surrounding this are of concern.²⁵

4.22 Mr Gerard Coffey, CEO of Ngaanyatjarra Council also supported this view:

20 Ms Rachel Atkinson, CEO, Palm Island Community Company, *Proof Hansard*, Townsville, 4 October 2017, p. 28. See also: Human Rights Law Centre, response to questions taken on notice at a public hearing on 8 September 2017 (received 12 October 2017).

21 Mr Michael Hobday, CEO, RISE Ventures, *Proof Hansard*, Townsville, 4 October 2017, p. 9.

22 Ms Katie Owens, Manager, Rainbow Gateway Ltd, *Proof Hansard*, Townsville, 4 October 2017, p. 7.

23 Dr Kirrily Jordan, *Submission 30*, p. 13.

24 Ms Shelley Bielefeld, *Submission 11*, p. 2.

25 Ms Tina Carmody, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 9.

We could go back a little bit. The CDEP—we were paying \$17 an hour. This was less than \$10 an hour this program [CDP]. You are obligated to commit 25 hours a week on remote CDP to get your full unemployment benefits. Under the CDEP, it was 16 or 17 hours, and you received more money.²⁶

4.23 The lower rate of pay under CDP has practical implications on people's lives with one submitter describing 'the effect of this lower pay rate is one loaf of bread every hour that the government has taken away from the family home'.²⁷

4.24 As Dr Kirrily Jordan explained, paying a person less than minimum wage is 'inappropriate, insulting and inequitable'. Importantly, insufficient incomes impacts detrimentally on a person's capacity to develop skills for mainstream employment. A more appropriate approach would be to provide a 'living wage that can fund the necessities of life in remote communities, and allow people to live productively and with dignity'.²⁸

4.25 The committee also heard that CDP has resulted in an expectation of 'access to free labour'.²⁹ Mr Coffey noted that if the free supply of labour through CDP was not available, that this would create real jobs in the community.³⁰ Mr Cameron Miller, CEO of the Ngurratjuta Pmara Ntjarra shared his observations of an expectation within some employers that free labour was available:

That's the first one that I noticed 2½ years ago but then the positions were withdrawn. They were manual positions for gardeners and cleaners or support aides. We, as the provider, then had [school] principals coming to us expecting free labour to fill those positions.³¹

4.26 Dr Cassandra Goldie, CEO of the Australian Council of Social Service (ACOSS) also noted the detrimental impact that such schemes have more broadly on the communities by displacing paid employment:

It also locks people out of properly paid jobs that have meaning for the communities such as care of land because the unpaid work under the CDP can displace paid work of this kind and initiatives to create that kind of real paid employment opportunity.³²

4.27 Mr David Thompson, Senior Advisor at the ACOSS explained that this approach was unique amongst income support programs across Australia:

26 Mr Gerard Coffey, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 37.

27 Ngurratjuta Pmara Ntjarra Aboriginal Corporation, *Submission 27*, p. [1].

28 Dr Kirrily Jordan, *Submission 30*, p. 16.

29 Mr Michael Hobday, CEO, RISE Ventures, *Proof Hansard*, Townsville, 4 October 2017, p. 8.

30 Mr Gerard Coffey, CEO, Ngaanyatjarra Council, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 37.

31 Mr Cameron Miller, CEO, Ngurratjuta Pmara Ntjarra Aboriginal Corporation, *Proof Hansard*, Alice Springs, 28 August 2017, p. 3.

32 Dr Cassandra Goldie, CEO, Australian Council of Social Service, *Proof Hansard*, Canberra, 8 September 2017, pp 1–2.

I think there is a fundamental design flaw in the CDP as it is. It is with good intentions—Minister Scullion has good intentions—that it allows people to work for their income support in the private sector. That doesn't happen anywhere else in this country. Even the people in the government's [Youth Jobs] PaTH [internship] program get a supplement to their income support to participate in that kind of work experience. There's lots of work in those communities in the former CDEP—utility works, roads, water and all sorts of other utilities work done by CDEP people—which, if it were paid for properly by the responsible governments, would result in jobs for those people.³³

Lack of occupational health and safety focus

4.28 The committee also heard concerns around the lack of emphasis placed by PM&C on occupational health and safety (OH&S) aspects of CDP. This leads to two distinct issues—no insurance for participants and limited accountability for providers.

4.29 The committee heard that there is limited coverage for CDP participants who are injured whilst participating in activities. Ms Lara Watson, Indigenous Officer at the Australian Council of Trade Unions (ACTU) shared her experience with the committee:

A job service provider raised some real concerns with us. One of the examples they told us about was a CDP worker they had who was injured on site—the worker had sliced three of his fingers. All they had was insurance that covered them to get him to hospital. There was nothing in place around rehabilitation or what sort of work he could do with the damage to his three fingers. We now have a worker who, as a result of doing activities through CDP, has been disabled and has no rehabilitation or ongoing support to help him back into the workforce.³⁴

4.30 After the hearing, this was confirmed in a written response in which the ACTU stated that 'current CDP workers are not covered by Comcare or any other worker compensation scheme' and instead are covered by an insurance policy. The ACTU expressed their view that workers engaged in the CDP should be 'covered by a legislated workers' compensation scheme'³⁵ rather than being pushed on to the disability support pension, as Mr Brook Holloway, Governing Councillor at the Community and Public Sector Union explained:

33 Mr David Thompson, Senior Advisor, Australian Council of Social Service, *Proof Hansard*, Canberra, 8 September 2017, p. 15. The Youth Jobs Path program 'provides young people with voluntary internship opportunities to help them gain real work experience in Australian businesses'. See: Department of Employment, *Youth Jobs Path*, 19 June 2017, <https://www.employment.gov.au/youth-jobs-path> (accessed 1 November 2017).

34 Ms Lara Watson, Indigenous Officer, Australian Council of Trade Unions, *Proof Hansard*, Canberra, 8 September 2017, p. 27.

35 Australian Council of Trade Unions, answers to questions taken on notice at the Canberra public hearing on 8 September 2017, received 6 October 2017.

Workers compensation under CDP is a disability support pension form.³⁶

4.31 The importance of OH&S not just for the safety and wellbeing of participants, but also their employability in industries where OH&S is valued was highlighted by Ms Owens, of CDP provider Rainbow Gateway:

When we set up an activity for any community we do a risk assessment based on that, but I have never been audited on any of our risk assessments. I've never had PM&C come through during a monitoring visit and ask to review them at any time. I think it's such a critical part of what we do with our participants and the use the skills that they get from doing [Job Safety Analysis] or risk assessments. If they were to go into further employment, there probably needs to be more focus on that from the government perspective to make sure that everyone is complying with that. There doesn't seem to be any tick-off saying, 'Yes, you've done that. That's lovely.' It's in a folder, but when do you bring it out and how is that monitored?³⁷

Limited ability to engage with external bureaucracy

4.32 Throughout the inquiry, the committee has heard extensively about the problems that CDP participants are having accessing Centrelink in remote communities. Witnesses observed that in many cases Centrelink does not have a permanent presence in many remote communities. For example, the committee were told that the only permanent Centrelink office in the Goldfields region of Western Australia is in Kalgoorlie.³⁸ Participants living in remote parts of the Northern Territory are without a permanent Centrelink office for between 'four to six or eight weeks [between] visiting times'.³⁹ The lack of permanent facilities leads to difficulties for participants being able to contact and liaise with Centrelink.

Telephone and internet issues

4.33 Many participants are forced to use the telephone and internet in order to meet CDP reporting requirements. In its submission, the Ngaanyatjarra Council, which represents around 2 000 people in 12 Western Desert communities, observed that the centralised administration of CDP puts participants and staff under huge pressure because of the unreliability of telephone and internet technology in remote locations.⁴⁰

36 Mr Brook Holloway, Governing Councillor, Community and Public Sector Union, *Proof Hansard*, Canberra, 8 September 2017, p. 27.

37 Ms Katie Owens, Manager, Rainbow Gateway Ltd, *Proof Hansard*, Townsville, 4 October 2017, p. 16.

38 Inspector Glen Willers, Assistant District Officer, Goldfields-Esperance District, Western Australia Police, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 6.

39 Mrs Katherine O'Donoghue, Community Development Program Manager, Ngurratjuta Pmara Ntjarra Aboriginal Corporation, *Proof Hansard*, Alice Springs, 28 August 2017, p. 9.

40 Ngaanyatjarra Council, *Submission 5*, p. 9.

4.34 The committee were told that in some communities '45 people' or more line up to use one telephone at a telecentre.⁴¹ The lack of telephone infrastructure is compounded by the long wait times for participants of 'sometimes three or four hours' on hold.⁴² Ms Victoria Baird of Save the Children in Kunnanurra described a common scene in her office of people seeking to access Centrelink telephone services:

We often have the Centrelink hold music blaring throughout our office here in Kununurra because they dial the number and have the family sitting, having a cup of tea and waiting sometimes for an hour for the phone to be picked up.⁴³

Language issues

4.35 One of the challenges in remote Indigenous communities are the incredibly diverse number of Indigenous languages spoken. Mr Chansey Paech MLA, the Northern Territory Member for Namatjira, described the communication difficulties experienced between Indigenous people living in remote communities and Centrelink officers on the telephone:

My electorate alone has over 11 local languages, first peoples languages, that are spoken. There are over 100 languages across the Northern Territory. When we are talking about communication with people, English is quite often a fifth language or a fourth language, so it's very hard. In a number of my communities you can rock up and, I don't know if they share the same passion for classical music as I do, but that's often what you hear on their speakerphones as they're waiting for Centrelink. Then they're forced to speak to people in call centres who have very difficult processes to understand what they are saying, and they speak in bureaucratic jargon, which people in my electorate, where English is not their first language, have great difficulty understanding and being able to interpret.⁴⁴

4.36 Uniting Communities submitted that CDP participants are also disadvantaged by unreliable technologies in remote communities, including frequent power outages and lack of access to computers, making it difficult to report to Centrelink. When lines are down, participants find themselves penalised for breaching CDP rules.⁴⁵ For example:

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

41 Ms Vanessa Thomas, Director, Nurra Kurramunoo Aboriginal Corporation, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 50. Ms Thomas noted that this number did not include non-Indigenous people who use the phone to speak with Centrelink.

42 Mrs Katherine O'Donaghue, Community Development Program Manager, Ngurratjuta Pmara Ntjarra, *Proof Hansard*, Alice Springs, 28 August 2017, p. 9.

43 Ms Victoria Baird, Regional Coordinator, East Kimberley, Save the Children Australia, *Proof Hansard*, Kalgoorlie, 23 August 2017, pp 14–15.

44 Mr Chansey Paech, Member for Namatjira, Northern Territory Legislative Assembly, *Proof Hansard*, Alice Springs, 28 August 2017, p. 35.

45 Uniting Communities, *Submission 23*, p. 7.

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 [at] us for not looking after our kids.⁴⁶

4.37 Mr Michael Hobday, CEO at RISE Ventures, a CDP provider acknowledged that Centrelink poses one of the biggest challenges to the CDP as it currently stands:

I think the biggest issue I've got is the amount of time it takes people to contact Centrelink and that they have to wait on the end of telephone lines and those sorts of things. It's a disgrace.⁴⁷

4.38 Ms Susan Tilley, Manager of Aboriginal Policy and Advocacy at Uniting Communities noted that there is capacity for Centrelink to provide interpreter services; however, the actual provision of interpreter services is problematic:

...invariably, people are not offered a language interpreter. They need to have the confidence to say they would like a language interpreter and request to arrange one. So that's the whole process of people feeling confident enough to do that. Then, quite often, people have already waited sometimes up to two or three hours to get through to Centrelink. Then, to be told they will have to try again tomorrow when they have a Pitjantjatjara speaker or in three hours' time, is quite daunting and frustrating for people. So it is a complex issue, and it is a difficult issue to get around.⁴⁸

4.39 Ms Tilley added that some Centrelink officers are sometimes unaware that Centrelink provides interpreter services for Indigenous languages.⁴⁹ Mr Damien McLean of the Ngaanyatjarra Council observed that communication breakdowns extend beyond language to an understanding from Centrelink staff as to where their clients live:

When they make these appointments, they never ask about our time zone. There is an assumption that we are in the Northern Territory, on Territory time, which is wrong. So these phone appointments almost never transact.⁵⁰

Other issues

4.40 Mrs Raylene Cooper, a Senior Aboriginal Mental Health Worker in Kalgoorlie, elaborated on the other consequences of not having Centrelink staff stationed in remote communities.

46 APY resident and CDP recipient, cited in Uniting Communities, *Submission 23*, p. 7.

47 Mr Michael Hobday, CEO, RISE Ventures, *Proof Hansard*, Townsville, 4 October 2017, p. 9.

48 Ms Susan Tilley, Manager of Aboriginal Policy and Advocacy, Uniting Communities, *Proof Hansard*, Alice Springs, 28 August 2017, p. 41. See also Ms Melissa Kean, Director, Central Australia, Children's Ground, *Proof Hansard*, Alice Springs, 28 August 2017, p. 43.

49 Ms Susan Tilley, Manager of Aboriginal Policy and Advocacy, Uniting Communities, *Proof Hansard*, Alice Springs, 28 August 2017, p. 42.

50 Mr Damien McLean, Community Development Advisor, Warburton Community, Ngaanyatjarra Council, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 38.

Also, the Centrelink office here, you can't do a family allowance claim here. You put the claim in here but it goes down to Perth or can end over in South Australia or somewhere else. Even when you go onto unemployment benefits you don't get an interview straightaway. You get an interview in about two or three weeks time. Everything is not hands on. You have to wait. That causes a lot of poverty and a lot of distress for a lot of families.⁵¹

4.41 Ms Thomas shared this view and extended her commentary to CDP providers that are not based in remote communities. Absence of these providers for extended periods of time can have devastating impacts on remote communities. Ms Thomas observed:

GETS [the local CDP provider for the Goldfields region in WA] comes every fortnight, but if they can't come they'll say, 'We can't come, can you ring it in?'...

We have to tell them who is here. If they need to sign their job plan or whatever they are due to do, they just scan it and send it. But if our computer isn't working then they don't get paid. They just go without and have to wait. And it's an eight-week waiting period if you get cut off from Newstart. These people have children.⁵²

4.42 Mrs Cooper shared an example of someone who was suspended in the midst of a mental health episode:

A couple of weeks ago one of my lady clients didn't go to one of her appointments, so she got suspended, so then I had to talk to them and get a doctor's certificate to say what had been happening for her. She ended up in our ward. When I told them what was happening for her they reinstated her and then she got back paid for the weeks she'd missed out on. But that doesn't always happen. They said that the next time it happens to her she'll have to go and start the process again—reclaim again...

She'll have to go and reapply to Centrelink—start from scratch. She won't be so lucky next time as to get a continuation of her benefit.⁵³

4.43 The geographical constraints and lack of program flexibility means that health and psychological screenings of participants seeking exemption from CDP requirements are often undertaken by phone and without access to language interpreters.⁵⁴ This results in 'people who should be on disability support pensions and who are made to do 25 hours a week Work for the Dole'.⁵⁵ Many of these people are

51 Mrs Raylene Cooper, Senior Aboriginal Mental Health Worker, Community Mental Health Services, Kalgoorlie, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 32.

52 Ms Vanessa Thomas, Director, Nurra Kurramunoo Aboriginal Corporation, *Proof Hansard*, Kalgoorlie, 23 August 2017, pp 51–52.

53 Mrs Raelene Cooper, Senior Aboriginal Mental Health Worker, Community Mental Health Services, Kalgoorlie, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 31. See also: Ms Christine Boase, Treasurer, Laverton Leonora Cross Cultural Association, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 30.

54 Uniting Communities, *Submission 23*, p. 7.

55 Dr Inge Kral, *Proof Hansard*, Alice Springs, 28 August 2017, p. 21.

simply not being provided with the opportunity to be assessed. Ms Adrienne Walters, Director, Legal Advocacy, at the Human Rights Law Centre noted that:

...a huge concern is that you have people who should be on the disability support pension and who shouldn't be forced to do work that they're not capable of doing, and they're being penalised for not being able to do that work.⁵⁶

Social dislocation in remote communities

4.44 At the committee's Kalgoorlie hearing, the committee heard that the financial penalties and reduced pay and conditions of CDP are causing significant social dislocation in many remote communities. There are two key drivers to this social dislocation—as discussed earlier in the chapter, one relates to the loss of payments and the need of vulnerable people to seek money for essential daily items through friends, family or crime. The other relates to people leaving remote communities to live in regional centres such as Kalgoorlie where they are not subject to the onerous requirements of CDP.

Suspended payments leading to increased poverty, crime and social issues

4.45 Some witnesses have linked the loss of payments to an increase in poverty in remote communities. The committee notes that these are communities already living in extreme poverty. At the hearing in Alice Springs, Professor Jon Altman noted that between 2011 and 2016, median income in remote communities subject to CDP has declined:

What we're seeing is people who are going from living in poverty, at just over \$200 a week per adult, to getting even less [than] that.⁵⁷

4.46 Ms Susan Tilley of Uniting Communities expressed a similar view noting that the 'current CDP is entrenching poverty and welfare dependency'.⁵⁸ Professor Altman explained how the onerous reporting and penalties associated with CDP are contributing to this increase in poverty:

[W]hen I go to particular communities, I come across young people, particularly males, who, when I ask them what they're doing for income, basically say that they were on CDEP but were breached a number of times, so they've stopped bothering to participate in that extraordinarily onerous metawork of turning up to your job provider and Centrelink on a regular basis to demonstrate that you've fulfilled your mutual obligation requirements.⁵⁹

56 Ms Adrienne Walters, Director, Legal Advocacy, Human Rights Law Centre, *Proof Hansard*, Canberra, 8 September 2017, p. 8.

57 Professor Jon Altman, *Proof Hansard*, Alice Springs, 28 August 2017, p. 16.

58 Ms Susan Tilley, Manager, Aboriginal Policy and Advocacy, Uniting Communities, *Proof Hansard*, Alice Springs, 28 August 2017, p. 38.

59 Professor Jon Altman, *Proof Hansard*, Alice Springs, 28 August 2017, p. 16. See also: Mr Michael Klerck, Social Policy and Research, Manager, Tangentyere Council, *Proof Hansard*, Alice Springs, 28 August 2017, p. 5.

4.47 Ms Carmody made the following observation of the psychological impacts of not having any money:

...the depression—it's so oppressive, it's unbelievable. You've got these people with these penalties for eight weeks and no money. They can't pay their rent, they can't pay their bills and they can't put food on their table. What happens then, particularly in the remote townships, where the general store relies on this income to function and work, is that they're not getting paid. It's a bit like the ripple effect: throw the people in the pond and then it ripples out into the community. It also adds an extra burden on other family members that have to cover those costs for eight weeks. It's quite an oppressive situation to be in. People need to understand and realise how hard it is to struggle.⁶⁰

4.48 Ms Harriet Olney, an Independent Director at Ngaanyatjarra Council reported that the Warburton 'store does not make as much money as it used to because people aren't buying as much food as they used to buy'.⁶¹ Ms Olney also observed that the store's lower revenues are a reflection of people simply buying less food and as a result of people leaving community to move to regional centres.⁶² When the store makes less money, this has a flow-on effect into provision of broader services in the community:

We are dependent on the store to pay for things. The community office is funded through the community enterprises. So it makes quite a difference across the board.⁶³

4.49 Ms Rachel Atkinson, CEO of the Palm Island Community Company noted that some people are choosing not to engage with job providers as it is simply too difficult:

A lot of the people we employ won't go near Campbell Page [the local CDP provider for Palm Island]. They'd rather not have the dole. So they couch surf and live on the rest of their families.⁶⁴

4.50 The committee has also received evidence suggesting that crime rates in some remote communities have increased as a consequence of suspending payments to CDP participants. Superintendent Michael Bell, District Superintendent for the Western Australia Police Force's Mid-West Gascoyne District made the following observation:

60 Ms Tina Carmody, Working Together Co-ordinator, Kalgoorlie-Boulder Chamber of Commerce and Industry, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 10.

61 Ms Harriet Olney, Independent Director, Ngaanyatjarra Council, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 39.

62 Ms Harriet Olney, Independent Director, Ngaanyatjarra Council, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 39.

63 Ms Harriet Olney, Independent Director, Ngaanyatjarra Council, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 39.

64 Ms Rachel Atkinson, CEO, Palm Island Community Company, *Proof Hansard*, Townsville, 4 October 2017, p. 27.

Certainly, when the participation report goes in and people have their benefits cut off...it puts additional pressure on the family members because they then have to support that person. That individual who's cut off may become displaced and then go in search of other benefits or family to support them, so they can become itinerant in other locations. Cutting people's payments off becomes a factor in that it then drives crime because they've got no money to get food and shelter—just the necessities of life.⁶⁵

4.51 Ms Victoria Baird of Save the Children Australia described her experiences in the Kimberley region of WA:

We often see the young people that we work with stealing things like food. They are also often accompanied by adults stealing alcohol, because access to alcohol is restricted and people have addictions that they need to feed. We definitely would say most of the young people that we work with that are engaging in petty theft would be affected by the poverty of their families. They're all on CDP.⁶⁶

4.52 In addition, the committee heard that in dry communities domestic violence is often caused by a 'lack of money'.⁶⁷ Inspector Glen Willers, Assistant District Officer for the Western Australia Police Force's Goldfield's-Esperance District told the committee about the devastating impact that suspended payments can have on individuals and their behaviour, particularly when they do not fully understand the reasons for the suspension:

...it's clear that small matters like being cut-off become huge in these places. Recently up at Warakurna, which is very isolated, one of the adult males there basically, as they described it, ran amok and did damage all around town. When they got him back to the police station, calmed him down and asked, 'What was the problem,' he said: 'I've been cut-off, and I don't know how to get back on. The other day, I was on the phone for half an hour. The people don't understand me, so I hung up.' So there you have a frustrated man [in] your community who is a really good person—he's just frustrated because he has no money, he's isolated and he can't get back on the program.⁶⁸

4.53 Mrs Boase summarised how people are surviving without any form of income:

65 Superintendent Michael Bell, District Superintendent, Mid West-Gascoyne District, Western Australia Police Force, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 3.

66 Ms Victoria Baird, Regional Co-ordinator, East Kimberley, Save the Children Australia, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 14.

67 Inspector Glen Willers, Assistant District Officer, Goldfields-Esperance District, Western Australia Police Force, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 1.

68 Inspector Glen Willers, Assistant District Officer, Goldfields-Esperance District, Western Australia Police Force, *Proof Hansard*, Kalgoorlie, 23 August 2017, pp 6–7. See also: Councillor Alf Lacey, Mayor, Palm Island Aboriginal Shire Council, *Proof Hansard*, Palm Island, 4 October 2017, p. 14.

They're not surviving well. The crisis centre has a lot of women and children in there at any given time. They're relying on other family members or other community members to try to find some support. They're going without food. They're certainly going without adequate basic facilities.⁶⁹

CDP forcing people to leave remote communities

4.54 As discussed earlier in the report, CDP is a program that is applied in remote locations and that an employment program with less stringent requirements, JobActive, is applied to jobseekers in non-remote parts of Australia. The committee were told that it is common for people from remote communities to move from remote communities to regional centres. In some cases this is because they wish to be subject to less onerous compliance requirements, meaning they are less likely to be breached and lose their payments. In other cases, this is because they have already been breached and are seeking some other way to get by. Superintendent Bell noted:

Under JobActive you're required to be actively looking for work and participating in the program for six months, and my understanding is you then get six months off, for lack of a better word. But under CDP you're required to be actively participating and you get six weeks off [in a 12 month period], unless you take something like cultural leave, which is certainly defined under that. So people will move.⁷⁰

4.55 Several submissions also noted the negative impact of forcing CDP participants to leave their communities to look for work, causing tensions in their families and communities, undermining their cultural responsibilities, and making them feel alienated in new living and working environments.⁷¹

4.56 When people move away from their homes in remote communities, often they are moving to regional centres where they do not have housing, and family and social supports, as Mr Damien McLean of the Ngaanyatjarra Council explained:

If the fundamentals that really tie people together are not there, because it's been made so hard to live out here under the provisions of the CDP and, effectively, it is so easy to be on three-monthly reporting without obligations if you're homeless on the streets of Kalgoorlie, inevitably, that is what you're going to do—you're going to produce a migration into these regional centres that are not ready to accommodate this and you're going to have people who are not ready to move into them. That is already happening.⁷²

69 Mrs Christine Boase, Treasurer, Laverton Leonora Cross Cultural Association, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 32.

70 Superintendent Michael Bell, District Superintendent, Mid West-Gascoyne District, Western Australia Police Force, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 5.

71 See, for example, Uniting Communities, *Submission 23*, p. 4.

72 Mr Damien McLean, Community Development Advisor, Warburton Community, Ngaanyatjarra Council, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 43.

4.57 Mr Martin Sibosado of Aarnja noted the trend of remote residents moving to regional centres was also occurring in the Kimberley region, often with devastating effects:

[P]eople have worked out about moving into town. We've seen that and that's been the focus for itinerancy on the oval. Then there's the sheer thing on individuals. What's not commonly reported—I spoke to about 20 of those people only two months ago and on average they had fines from the police for failing to comply with move-on notices. As they said to me, 'Where do I move on to? I live under that tree over there, mate.' That person had accumulated \$22 000 worth of fines. I said, 'You know where you're going, brother—you're going to jail. That's the only outcome for you.' Those are the sorts of ramifications we're seeing from CDP.⁷³

4.58 In its submission, the Ngaanyatjarra Council highlighted the difficulties that people face when moving to regional centres:

The Ngaanyatjarras have a unique history. They have not previously been forced from their country and wish to maintain the privileges associated with this. However, they are greatly disadvantaged when they leave the Lands, so much so that many Ngaanyatjarra people cannot function adequately when dislocated from community support.⁷⁴

4.59 Moving to a regional centre not only fundamentally affects the people who leave, but also those who are left behind. Some parents do not take their children to regional centres as there is no-where to live and no income to sustain a family:

[P]arents who have been cut off will go looking for a means of survival with food and support. They can leave their children behind with other family members while they go searching, so it also becomes an issue that we're separating families while they go searching for money and support to live.⁷⁵

4.60 In the absence of parental supervision and with no money, children are forced to turn to crime:

I could not contribute all of those problems to CDP by any means, but it's certainly a factor that the police have to consider—that is: how can we deal with the underlying causes of crime within children. The answer is to get these adults to remain in their communities.⁷⁶

4.61 Many who make the move would rather return to their communities; however, feel that they have no choice other than to remain in the regional centres:

73 Mr Martin Sibosado, Chairperson, Aarnja Ltd, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 57.

74 Ngaanyatjarra Council, *Submission 5*, p. 9.

75 Superintendent Michael Bell, District Superintendent, Mid West-Gascoyne District, Western Australia Police Force, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 3.

76 Inspector Glen Willers, Assistant District Officer, Goldfields-Esperance District, Western Australia Police Force, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 6.

We have a big issue in Kalgoorlie with that because people don't want to be here. They want to go back to their lands, but the services are so much easier to get here, and that's why they stay here.⁷⁷

4.62 Some witnesses spoke about the rising tide of despair in some remote communities that is leading to increased drug and alcohol abuse and increased suicides.⁷⁸ These issues are symptoms of communities who are struggling to provide for themselves:

People are living below the poverty line already. If you then cut the funding that they rely on for food and supplies, which are also expensive in Laverton, I have to say, I think they have nowhere to go. They have no way of dealing with this well. I'm just thinking in my head right now—today in Kalgoorlie there's also a discussion about the cashless card and the drug and alcohol situation. I can understand where people get to a point where—'I might as well just blow this and blow my mind here.' I think drugs and alcohol are often a symptom of the despair and despondency.⁷⁹

Labour market issues

4.63 The lack of a functioning labour market economy in many remote communities is raised in the previous chapter. This section discusses the impacts that a non-functioning labour market has on individuals and remote communities.

Outside the labour market

4.64 The ACTU pointed out that people in remote areas who are considered 'outside' the labour force are in fact often engaged in productive artistic or customary activities which may generate income but which are not always recorded as employment.⁸⁰

Insufficient jobs to make current CDP viable

4.65 Most submissions noted the absence of an employment market in remote communities.⁸¹ Community Bridging Services (CBS), for example, argued that there are insufficient employment opportunities in remote regions to make the current CDP model viable, particularly for people with a disability:

There is not enough opportunity, infrastructure and community support in remote regions to support the current Work for the Dole type of activities of 25 hours a week. There is also inequity in the requirements for CDP clients—mainstream clients are required to do 15 hours per week, CDP

77 Inspector Glen Willers, Assistant District Officer, Goldfields-Esperance District, Western Australia Police Force, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 6.

78 See, for example: Mr Hans Bokelund, Chief Executive Officer, Goldfields Land and Sea Council, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 45 & Ms Victoria Baird, p. 28.

79 Mrs Christine Boase, Treasurer, Laverton Leonora Cross Cultural Association Inc., *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 32.

80 ACTU, *Submission 29*, p. 14.

81 See for example, Aarnja Ltd, *Submission 25*, p. 3; CBS, *Submission 6*, [p. 1].

client need to do 25. This is why there are so many reported infringements.⁸²

4.66 The NPY Women's Council reported that there were not enough jobs for people in the region, and that CDP does not provide real jobs. The CPSU noted that a more holistic approach is required with job programs needing 'to be supported by local economic development programs that will lead to ongoing work and community development'.⁸³

4.67 The Council's submission did not advocate abolition of CDP as some benefits are visible to the community such as those that improve community infrastructure and amenity, but the scheme is racially discriminatory when compared to JobActive in urban settings, specifically that higher obligations apply to Aboriginal communities.⁸⁴

Inflexibility

4.68 Aarnja Ltd noted that northern Australia's workforce needs are unique, with many businesses closed during the wet season or working long hours in the dry season. Aarnja argued that alignment of future employment policies with the policy objectives of the White Paper on Developing Northern Australia offers development opportunities for remote communities in these regions.⁸⁵

4.69 Under CDEP, employment activities consisted of four hours per day, four days per week. With the introduction of CDP, this was increased to 'work-like activities' for 25 hours over five working days. According to Dr Will Sanders, Senior Fellow at the Centre for Aboriginal Economic Policy Research (CAEPR) at the Australian National University (appearing in a private capacity):

Two of the great virtues of the activities regime under the former CDEP were that it avoided accusations of Indigenous people being asked to work for less than award wages, and it left afternoons and Fridays free for other priorities....This was a workable balance between the pulls of custom and modernity, between country and kin versus waged employment...⁸⁶

The nature of work-like activities

4.70 One of the most controversial features of CDP is its focus on full-time Work for the Dole, involving supervised, work-like activities.

4.71 The Ngaanyatjarra Council noted that the requirement for work-like activities often forces participants to undertake relatively meaningless tasks:

This is a hopeless vision of life on the Lands...Not only has CDP destroyed the sense of agency among Ngaanyatjarras that had been fostered over

82 CBS, *Submission 6*, [p. 1].

83 CPSU, *Submission 24*, p. 4.

84 NPY Women's Council, *Submission 28*, pp 6–7 & 17. See also: North Australian Aboriginal Justice Agency, *Submission 40*, p. 6.

85 Aarnja Ltd, *Submission 25*, p. 4.

86 Sanders, 'Activities and authority', p. 26.

decades, CDP threatens the very viability of the Ngaanyatjarra Lands communities.⁸⁷

4.72 The NPY Empowered Communities Secretariat (NPYECS) provided an example of unsuitable activities undertaken by CDP participants:

When CW asked PP why she has not been meeting her participation requirements, she expressed that her activities were to cook for herself at the Tafe, and this activity felt and appeared meaningless to her. Skill Hire, who arranges the participation activities, was closed when this discussion was had, so PP and CW could not raise concerns with them. CW visits community approximately every three months. It is unlikely PP will raise concerns with (the provider) alone without an advocate.⁸⁸

4.73 Ms Carmody explained the disconnect between training and activities, and the job opportunities:

I recently talked to some of the providers of the CDP program here. It is fantastic that we have programs, but there are programs such as cooking classes. Unless a person wants to become a chef—and I think that is fine—in general what are cooking classes going to do for long-term sustainable employment? From an HR point of view, to be honest with you, if someone is applying for a position as an admin officer on a mine site but all they have on their resume is cooking classes through CDP, obviously that is not going to be favourable. So I do worry about the types of programs that are in place. Is it for training and long-term employment, or is it a life skills program?⁸⁹

4.74 Other witnesses noted that activities undertaken as part of CDP have included jobs such as 'feeding chooks' or 'sweeping verandahs'.⁹⁰ Inspector Willers told the committee about the inappropriate nature of some of the work tasks:

I was given example of a very proud Aboriginal law man who had been asked to pick up rubbish at the front of his house. There was so much shame around that that it actually created tension in the community. To ask that man to do that work in the community actually created tension within his family. That was an example I got from Blackstone. There is, from what I understand, no work. There are contractors coming in all the time, but it just seems that there's nothing for the local people to do. I know the example is you either earn or learn. I don't know what that actually means

87 Ngaanyatjarra Council, *Submission 5*, p. 9.

88 NPY Empowered Communities Secretariat, *Submission 28*, p. 12. Names were changed in the original submission.

89 Ms Tina Carmody, Working Together Coordinator, Kalgoorlie-Boulder Chamber of Commerce and Industry, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 9. See also: Councillor Alf Lacey, Mayor, Palm Island Aboriginal Shire Council, *Proof Hansard*, Palm Island, 4 October 2017, p. 13.

90 See for example: Mrs Christine Boase, Treasurer, Laverton Leonora Cross Cultural Association, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 27 & Mr Graeme Hastie, CDP Case Manager and Coordinator, Kullari Regional Communities Indigenous Corporation, p. 59.

in the community. I could see myself that it would be so easy to get cut off out there.⁹¹

4.75 Another witness raised the point that there are more meaningful and valued activities that participants could be undertaking in their communities:

There's a couple in Laverton who are elders, who are extraordinarily community minded, who at any given time are looking after not only their own children—they have some adult children who have health issues and who should really be on disability support but are not, so they're looking after them—but grandchildren and often other children in town or from people passing through who might be coming to Kalgoorlie for health reasons. So their house is stretched. They've got lots of people there that they're looking after. The mum is in her mid-50s, so she has to turn up, or used to have to turn up, for activities like having a 21-year-old from somewhere else teaching her art, even though she's a very good artist herself...⁹²

4.76 Furthermore, 'some participants described their activity as "sign the paper"' noting that little consideration is given to appropriate training or provision of adequate resourcing that will lead to real employment outcomes. One participant interviewed by the NPYECS summarised this view:

Some days there's no room for us in the centre so we just have to tick the sheet.⁹³

4.77 As part of its submission, Aboriginal Peak Organisations of the Northern Territory (APO NT) highlighted that there are already "real jobs" in remote communities and that these jobs should not be undertaken as part of CDP:

There are clearly many worthwhile, meaningful jobs that need to be done across remote communities. Many of these are jobs that address gaps in local infrastructure and services available to Indigenous communities—a legacy of historical underinvestment. They are not 'make work' or 'add on' jobs, but address genuine needs of communities. Many are in the health, community services and education sectors – sectors in which employment growth is strong, and expected to continue. Others are in areas like construction, housing and municipal services. There is also important work to be done in preserving and strengthening Indigenous culture and lands—work which requires specific skills and knowledge. This work, and these jobs, are an important part of maintaining and strengthening cultural identity—critical to 'Closing the Gap'. These are 'real jobs'. They cannot and should not be done under 'Work for the Dole' schemes for \$11 per hour.⁹⁴

91 Inspector Glen Willers, Assistant District Officer, Goldfields-Esperance District, Western Australia Police, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 2.

92 Mrs Christine Boase, Treasurer, Laverton Leonora Cross Cultural Association, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 27.

93 NPY Empowered Communities Secretariat, *Submission 28*, p. 12.

94 APO NT, *Submission 37.1*, p. 16.

4.78 The committee were told that some CDP activities that would benefit the community could not go ahead due to a lack of essential tools or equipment. Ms Thomas explained:

We have a program there, which we've had ever since we started working with GETS, to put up a fence. We made the swings—a playground—for the kids. We got that up, but—it's going into three years—we never put that fence up because we don't have the equipment to put the fence up. We've been telling them and telling them, but there's no answer. When PM&C comes, we tell them the same thing. When GETS goes out there, we tell them the same thing. We ask: 'How do we do it? We don't have a bobcat. Where do we get the bobcat from to dig the hole?'

We can't do it because the ground is very hard. We have, in our shed, the swings sitting there still to be put up. This is the third year now. I don't think it's going to go up this year. We have to wait until next year and see what happens. Participants are all getting penalised, but what can we do when we don't have the equipment to do the work? We don't have it. That's what I'm saying about the funding part. We don't know what funding we have.⁹⁵

4.79 According to the National Centre for Vocational Education Research (NCVER), CDP is predicated on meeting 'mutual obligation' requirements rather than responding to the employment needs of communities. In remote areas, meeting obligations can be a challenge leading to higher income penalties.⁹⁶

Training

4.80 Evidence provided to this inquiry which noted the lack of meaningful training and activities under CDP contrasts with the consultation described by PM&C prior to the implementation of the CDP. During this consultation, many community leaders have been clear that their objectives were 'an end to passive sit down welfare' as this 'was not the future they want for their people'.⁹⁷ Importantly, these community leaders wanted 'real jobs, paying real wages, and activities that instil responsibility and give people the opportunity to contribute something of value to their communities'.⁹⁸

4.81 The committee were told that there is no funding available through the CDP for training. Ms Kylie Van Der Neut, Senior Manager for Contract Assurance at Campbell Page explained the additional costs in providing training on Palm Island:

95 Ms Vanessa Thomas, Director, Nurra Kurramunoo Aboriginal Corporation, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 50.

96 NCVER, *Policy snapshot*.

97 Department of the Prime Minister and Cabinet, *Submission 36*, p. 12.

98 Department of the Prime Minister and Cabinet, *Submission 36*, p. 12.

It's very difficult, especially on Palm Island, because you've got to look at accommodation, flights and all of those types of things. So we look at any funding that's available for us. Otherwise, we'll fund the training course.⁹⁹

4.82 Ms Van Der Neut indicated that these costs make it expensive to provide training from the payments made by the government under the CDP.¹⁰⁰

4.83 In Townsville, the committee were told that between two to 10 per cent of CDP participants were engaged in certified and recognised training courses.¹⁰¹ In addition, the committee were also told that when participants do obtain competencies or certificates, that it is currently not a requirement of the CDP that this information be stored in a way that is centrally accessible by the provider and potential employers who conduct work in remote communities.¹⁰² This issue of disconnection between the job provider and potential employers is discussed in Chapter 3.

Limited ability for the bureaucracy to engage with participants

4.84 The issue of consultation between the bureaucracy and CDP participants in the context of policy development and change is discussed earlier in Chapter 2. It is important to highlight that poor communication and engagement not only affects participants but also bureaucracy administering the CDP. Poor communication services and the lack of resident Centrelink officers or agents in remote communities puts Australian Government officers at a disadvantage in understanding the challenges faced by the recipients of government services and payments.¹⁰³

4.85 The limited engagement by the federal bureaucracy and participants extends beyond telephones and internet access. Mr Damien McLean asserted that government officers focus almost exclusively on administration and record keeping, particularly around compliance within the CDP. This focus on compliance is to the exclusion of a focus on community development and employment outcomes. Mr McLean explained:

PM&C have run the program on a very regimented basis in terms of pursuing roles, times, documentation. Where people have penalties put on them then the process is supported by documentation so that, when the penalties are levied, they will hold up whether to appeal within the Centrelink arrangements. So that's where the whole focus is on this. There is very little interest in community development. This program makes a very poor partner. As soon as they go into a partner to work with them, they say that your goal is to actually do these things—to really promote this mutual obligation and the work-like habits, and to document what's going

99 Ms Kylie Van Der Neut, Senior Manager, Contract Assurance, Campbell Page, *Proof Hansard*, Palm Island, 4 October 2017, p. 2.

100 Ms Kylie Van Der Neut, Senior Manager, Contract Assurance, Campbell Page, *Proof Hansard*, Palm Island, 4 October 2017, p. 2.

101 *Proof Hansard*, Townsville, 4 October 2017, p. 17.

102 Ms Kylie Van Der Neut, Senior Manager, Contract Assurance, Campbell Page, *Proof Hansard*, Palm Island, 4 October 2017, p. 6. See also: *Proof Hansard*, Townsville, 4 October 2017, p. 17.

103 NPY Empowered Communities Secretariat, *Submission 28*, pp 8–9.

on to the extent that that takes priority over your activity or whatever your program is. So it makes a very bad partner because of that. It's made it very hard to integrate it into the community in any real sense.¹⁰⁴

Committee view

4.86 The committee is concerned about the significant and far-reaching negative impacts of the CDP on individuals and communities since its establishment in mid-2015. The evidence has shown that CDP is causing real harm to people engaged in CDP and the remote communities in which they live. At the heart of these problems are the heavy-handed financial penalties being applied to CDP participants who do not and cannot comply with the onerous requirements of the CDP.

4.87 Suspension of payments, in conjunction with reduced pay and conditions under the CDP (compared to its predecessor programs), is resulting in individuals and communities being pushed further into poverty. Furthermore, the committee is disturbed by evidence that suggests increasing levels of poverty are leading to an upsurge in crime and other social issues in remote communities. In some circumstances, the CDP compliance regime is forcing people to leave their homes, families and communities simply to survive.

4.88 The committee notes the higher penalties and requirements for CDP participants relative to the non-remote jobseeker program, JobActive. It has not been made clear to the committee why this is the case. This disproportionate approach to jobseeker programs in remote and non-remote areas is especially confusing in light of the fact that those in JobActive regions are more likely to find employment than those in remote locations.

4.89 The committee considers that the punitive imposition of penalties is further compounded by inadequate access for CDP participants to Centrelink services. The committee were disappointed to hear about the difficulties that some people have experienced when attempting to contact Centrelink to meet reporting requirements or to have payments recommenced. These difficulties include long telephone wait times, a single phone to be shared amongst 45 people, non-permanent or unstaffed Centrelink presence in some remote locations, and intermittent internet connectivity. In the committee's view, it is unacceptable that people who speak English as a second language are not supported to communicate their individual circumstances and to understand the requests of an operator. It is especially disheartening to hear about people who are so frustrated and unsupported by the system that they simply disengage and walk away from any form of income support.

4.90 The committee notes that certified training within the CDP is virtually non-existent and certainly not funded. Work-like activities are described as 'pointless' as they do not relate to the interests of the participants or the job opportunities that exist in the local area. The evidence has shown that the CDP is not orientated towards real employment outcomes. It is the committee view that CDP does not lead to job

104 Mr Damien McLean, Community Development Advisor, Warburton Community, Ngaanyatjarra Council, *Proof Hansard*, Kalgoorlie, 23 August 2017, p. 37.

creation or pathways to real jobs. Furthermore, the working conditions that CDP participants are exposed to are not those of a real job.

