

The Indigenous Welfare Economy and the CDEP Scheme

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Foreword

The Centre for Aboriginal Economic Policy Research (CAEPR) is an independent research centre within The Australian National University (ANU). Its funding comes from four sources: Aboriginal and Torres Strait Islander Commission (ATSIC), ANU, Department of Family and Community Services (DFACS) and its own consultancy activities. CAEPR's mission, as defined in its strategic plan, is to contribute to better outcomes for Indigenous people by independently monitoring changes in socio-economic status, influencing policy formation, and informing constructive debate. CAEPR does this through research that combines academic excellence of the highest standards with policy relevance, objectivity, and realism. Its two principal aims are to enhance CAEPR's role in research which leads to constructive policy debates and improved outcomes for Indigenous Australians, and to broaden Indigenous engagement with CAEPR's research and improve dissemination of CAEPR's research findings.

In November 2000 CAEPR, in conjunction with the Reshaping Australian Institutions (RAI) project of ANU's Research School of Social Sciences, organised a conference, 'The Indigenous Welfare Economy and the Community Development Employment Projects (CDEP) Scheme: Autonomy, Dependence, Self Determination and Mutual Obligation'. Convened in part to mark CAEPR's tenth anniversary, it was a wonderfully diverse gathering of delegates from Indigenous communities and organisations from all over Australia, from the bureaucracy, from key agencies and from academia. This CAEPR Research Monograph is one of the outcomes, and its contents reflect all that diversity of perspective and opinion. Professor Frank Castles, convener of the RAI project, welcomed delegates to the conference and I would personally like to thank him for his enthusiastic support for the conference. The cost of producing the monograph has been assisted in part by the financial support provided by Professor Castles and the RAI project.

In its early planning phase the conference was to focus on the CDEP scheme as a unique Indigenous institution, but in the light of the government's agenda to reform and reshape the institutions of Australian welfare, it seemed critical to broaden the focus of the conference to engage both the Indigenous welfare economy and the CDEP scheme, and their interrelationships. That broader focus will be evident to the reader of the monograph.

A blueprint for Australian welfare reform has recently been provided to the Howard government by the Reference Group on Welfare Reform, chaired by Patrick McClure. At the centre of the McClure vision is the principle of 'mutual obligation', which calls for a new relationship between welfare recipients and the state. Much of the language associated with this 'new' concept suggests that this will be a more caring and sensitive engagement, but at this early stage it seems that many of the proposals being considered by government, especially where they include compulsion, do not support this rhetoric.

This publication is timely because the debate is well under way, yet the marginal and diverse circumstances of Indigenous Australia, while very well documented, have not been adequately considered by the proponents of radical change. It is difficult to reconcile the rhetoric of mutual obligation as a vehicle for enhanced economic and social participation

for those at risk of exclusion, with government's avowed policy embrace of the market and globalisation (although as this foreword is being penned that embrace, in an election year, seems to be loosening somewhat). It is of great concern that, to date, there has been so little active engagement between Indigenous Australians and proponents of welfare reform, and that what little engagement there has been has tended primarily to favour, rather than challenge, the reform agenda.

If poverty and social exclusion are complex and multidimensional problems in mainstream Australian society, how much more complex and multidimensional are these issues for Indigenous Australian individuals, families, and communities that are often *remotely* located, socio-economically disadvantaged, and in tense, ambivalent relations with the Australian state? Put another way, how reconciled are Indigenous and other Australians in our society and how similar are their visions for Australia's future?

In the early 1960s, universalist assumptions were embedded in a policy called 'assimilation'. Its definition, paraphrased a little so as not to cause offence, was as follows:

The policy of assimilation means that all Indigenous Australians are expected eventually to attain the same manner of living as other Australians, to live as members of a single Australian community, enjoying the same rights and privileges, accepting the same responsibilities, observing the same customs and influenced by the same beliefs as other Australians.

It could be said that there are some worrying resonances here with McClure's communitarian vision.

In many situations, especially in the rural and *remote* areas where the CDEP scheme is widespread, Indigenous Australians have very different cultural values from the majority values that underpin key emerging notions like mutual obligation, social partnerships, and participation support. In other situations, Indigenous Australians can be partially or fully linked to the wider society, even if only by marriage or residential integration. While the McClure Report calls for sensitivity to cultural difference, it unfortunately says very little that is substantive about how it is to be accommodated in the new welfare paradigm of mutual obligation.

The subtitle of the conference, 'Autonomy, Dependence, Self Determination and Mutual Obligation', captures elements of this tension. In the final two decades of the twentieth century, many Indigenous communities enjoyed unprecedented levels of autonomy, underwritten by high levels of dependence. At times this was 'active' as in the CDEP, at other times 'passive' as with the dole. This is one manifestation of self determination. The crucial issue, addressed by many papers at the conference and now in this volume, is how Indigenous self determination and the rights agenda, which argues for the unique and inherent rights of Indigenous Australians, will sit with (or in opposition to) the proposed 'mutual obligation' of welfare reform. This is an issue of ongoing debate in Australian social policy arena.

As this monograph is being completed, the Howard government has made its first tentative steps to reform the CDEP scheme in the May 2001 Budget and with its 'new' policy

framework *Australians Working Together*. The emphasis now, in regions where there are 'viable' labour markets, is on CDEP as a stepping stone to mainstream employment; in areas where there is no viable labour market, resources have been earmarked for Community Participation Agreements and community capacity building to ensure that CDEP participation generates outcomes of benefit to each participating community. These policy changes are to be tentatively piloted in the 2001–02 financial year, and the outcomes of these changes will require careful evaluation.

All the full written papers submitted for the volume were refereed by a specialist CAEPR editorial committee.

Professor Jon Altman
Director, CAEPR
August 2001

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Abbreviations and acronyms

ABS	Australian Bureau of Statistics
ABSTUDY	Aboriginal Study Assistance Scheme
AFDC	Aid to Families with Dependent Children (USA)
AGPS	Australian Government Publishing Service
AIAS	Australian Institute of Aboriginal Studies (now AIATSIS)
AIATSIS	Australian Institute of Aboriginal and Torres Strait Islander Studies
AIFS	Australian Institute of Family Studies
ANTA	Australian National Training Authority
ANTARAC	Australian National Training Authority Research Advisory Council
ANU	The Australian National University
ATM	Automatic Teller Machine
ATSIC	Aboriginal and Torres Strait Islander Commission
ATSICOE	Aboriginal and Torres Strait Islander Commission Office of Evaluation and Audit
ATSIPTAC	Aboriginal and Torres Strait Islander Peoples Training Advisory Council
AWA	Australian Workplace Agreement
CA	Certified Agreement
CAEPR	Centre for Aboriginal Economic Policy Research (ANU)
CAR	Council for Aboriginal Reconciliation
CDEP	Community Development Employment Projects
CDFI	Community Development Financial Institutions Fund (USA)
CEO	Chief Executive Officer
ICERD	International Convention on the Elimination of All Forms of Racial Discrimination
CES	Commonwealth Employment Service
CESCR	Committee on Economic, Social and Cultural Rights

CGC	Commonwealth Grants Commission
CHIP	Community Housing and Infrastructure Program
CPS	CDEP Participant Supplement
CRA	<i>Community Reinvestment Act</i> (USA)
CRCAP	Canadian Royal Commission on Aboriginal Peoples
CRES	Centre for Resource and Environmental Studies (ANU)
CSIRO	Commonwealth Scientific and Industrial Research Organisation
DEET	Department of Employment, Education and Training
DEETYA	Department of Employment, Education, Training, and Youth Affairs
DETYA	Department of Education, Training, and Youth Affairs
DEWRSB	Department of Employment, Workplace Relations and Small Business
DFACS	Department of Family and Community Services
DSS	Department of Social Security
EITC	Earned Income Tax Credit (USA)
ESRA	Employment Services Regulatory Agency
GST	Goods and Services Tax
HREOC	Human Rights and Equal Opportunity Commission
IDA	Individual Development Account (USA)
IEC	Indigenous Employment Centre
ICESCR	International Covenant on Economic, Social and Cultural Rights
IEP	Indigenous Employment Policy
ILO	International Labour Organisation
ILOC	Indigenous Local Area
LFS	Labour Force Survey
NARU	North Australia Research Unit (ANU)
NATSIS	National Aboriginal and Torres Strait Islander Survey
NEIS	New Enterprise Incentive Scheme

NSA	New Start Allowance
OEA	Office of Evaluation and Audit (ATSIC)
OECD	Organisation for Economic Cooperation and Development
PRC	Papunya Regional Council
RAI	Reshaping Australian Institutions project (RSSS, ANU)
R&M	Repair and Maintenance
RDC	Racial Discrimination Commissioner
RTC	Rural Transaction Centre
RTO	Registered Training Organisation
SD	Statistical Division
SES	Specialised Enumeration Strategy
SIPF	Special Indigenous Personal Form
SPRC	Social Policy Research Centre (UNSW)
SSD	Statistical Sub-Division
STEP	Structured Training and Employment Projects
TAFE	Technical and Further Education
TANF	Temporary Aid for Needy Families (USA)
TCU	Traditional Credit Union
UB	Unemployment Benefit
UNSW	University of new South Wales
WFTC	Working Families Tax Credit (UK)
WFTD	Work for the Dole

