

# Replacing the CDP – what comes next?

An ACTU proposal for the framework and methodology that should be followed to replace the failed and racist Community Development Programme.

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## At a Glance

Abolishing the CDP, as welcome a move as it is, cannot be the end of our policy on the issue of assisting remote and indigenous communities. The underlying problems that the CDP aimed to address must still be tackled and solved. CDP must be replaced with a new program - one that avoids its failings. It needs to be replaced with a program that is fit for purpose, which respects the self-determination of indigenous communities and achieves its goals effectively and with respect for culture and place. The ACTU does not believe that this can be achieved by the proposal of a new, one-size-fits-all solution entirely developed by groups distant and disconnected from remote communities.

A replacement for the CDP should be developed in consultation with the communities impacted according to the following principles.

1. Co-Design – working in collaboration with communities.
2. Place Based – flexible to place and specific circumstances.
3. Focussed on Job Creation – built around the creation of full-time job opportunities.
4. Supportive, not Punitive – designed to facilitate and support engagement, not punish.
5. Ongoing Support – provide effective pre and post - employment support to participants
6. Long-Term Solutions – focus on building the long-term economic capacity of communities and individuals.

We believe that a new program developed under these principles will be able to achieve real change in remote and indigenous communities. However, the comprehensive engagement, consultation and co-design of a replacement for CDP will be, if undertaken properly, a long process. Unfortunately, this will mean that remote communities will be forced to endure either the CDP or the lack of any such program in the meantime. In order to avoid this outcome while also not exposing communities to the CDP for any longer than necessary, the following immediate reforms should be made to CDP by an incoming government to ameliorate its worst effects:

- The removal of guidelines that require providers to undertake punitive action for infractions without discretion.
- A reduction of CDP mutual obligation requirement to AT LEAST the levels of other national programs and a recognition of need for these requirements to be flexible to local conditions and participants.
- The variation of current CDP contracts to facilitate and encourage community engagement and a focus on long-term job creation and skills development
- The roll-out of social enterprise and community-driven project pilots to determine best practice.

## Introduction

Since its commencement in July of 2015, the Community Development Programme (CDP) has been criticised, by the communities involved as well as by the union movement, as a racist and ineffective attempt to address the issue of entrenched disadvantage and unemployment in remote communities. It has become clear over the operation of the scheme that it is fundamentally incapable of providing the assistance that the, predominantly indigenous, participants require and that it is far more concerned with ensuring that onerous mutual obligation requirements are met than it is with providing participants with effective support. CDP undermines the industrial rights of 37,000 workers - of which 31,000 are Aboriginal and Torres Strait Islander workers. The CDP forces workers into 20 hours of labour, provides no federal occupational health and safety or workers' compensation protection, provides no superannuation, no workplace employment standards and can be exploited by employers as a free source of labour. In light of this, while replacing CDP is the topic of this paper, it's important not to lose sight of the fact that that its removal would be a positive in and of itself.

The CDP, ill-considered as it is, was however an attempt to respond to a real issue – the lack of opportunity and economic engagement in remote Australian communities. **Abolishing the CDP, as welcome a move as it is, cannot be the end of our policy on this issue. The underlying problems that the CDP aimed to address must still be tackled and solved. CDP must be replaced with a new program, one that avoids its failings.**

**CDP needs to be replaced with a program that is fit for purpose, which respects the self-determination of indigenous communities and achieves its goals effectively and with respect for culture and place.**

**The ACTU does not believe that this can be achieved by the proposal of a new, one-size-fits-all solution entirely developed by groups distant and disconnected from remote communities.** This policy document will not attempt to lay out the full detail of a new remote jobs program. Instead it will present what we view as an effective framework and set of principles for the development of such a program. We will also propose a number of immediate actions that can be taken to ameliorate the most damaging aspects of the CDP while this process is undertaken.

## Building the CDP – how did we get here?

Prior to our discussion of the principles and framework for developing a replacement for the CDP, it's important to consider how we came to this point. The CDP is, after all, not an isolated program that appeared from nowhere, it represents the culmination of a policy process and evolution that has been occurring for a number of years. It's important to understand this process because we don't believe that the CDP was deliberately designed to be ineffective and racist but that it ended up being so is the outcome of a policy evolution that treated indigenous Australians as lesser than non-indigenous Australians and which treated the problems facing remote communities as insoluble – and therefore not worth attempting to solve.

This evolution is most clear when we examine the way the CDP evolved out of the Remote Communities Jobs Program (RJCP) which in turn was an evolution of the Community Development Employment Projects (CDEP) program. CDEP operated in various guises across remote (and some non-remote) communities for a significant period (from 1977) prior to its abolishment in 2013 as part of the RJCP reforms. While far from perfect, the CDEP program had a number of strengths that has (particularly in its more modern forms) meant it was arguably the best-regarded of the governmental attempts to provide employment services in remote regions. As acknowledged by Aboriginal Peak Organisations of the Northern Territory (APO N.T), CDEP produced better health outcomes, improved incomes, developed local enterprise, supported indigenous organisations and enhanced local control over local issues.<sup>1</sup> It achieved this through a focus on job creation, particularly part-time jobs, and on locally-determined projects. CDEP projects paid award wages and delivered real outcomes.<sup>2</sup> This was radically changed in 2013 when CDEP was replaced with the RJCP. Wages were no longer paid for work, CDEP work had become 'work for the dole' and projects were closely controlled by people disconnected from remote communities. CDP represented a doubling-down on these changes, further increasing mutual obligation requirements and tightening participation rules and penalties. What we have seen over time is a policy evolution that has been characterised by the following motivations:

- Increased focus on compliance and punitive measures
- Increased use of Work for the Dole-type activities
- Reduction of community consultation
- Loss of focus on skills
- Shift away from real jobs.

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<sup>1</sup> Aboriginal Peak Organisations Northern Territory, *Fair Work and Strong Communities: Proposal for a Remote Development and Employment Scheme*, May 2017.

<sup>2</sup> This is not to say the program was without flaws. The program was often used to cost-shift services from states to the federal government, failed to pay superannuation or provide effective in-house training and was, at times, poorly administered.

Any new scheme developed under our framework must make a conscious break with this policy process, rejecting the assumptions and thought processes that have resulted in the policy evolution we have seen to date. A detailed proposal that meets many of these criteria has been put forward by APO N.T., after community design. The model focuses on job creation in remote areas through the use of a Remote Jobs Investment Fund and heavily relies on community consultation and direction of effort.<sup>3</sup> While the ACTU, as called for in our Jobs Policy<sup>4</sup>, would prefer a focus on full-time employment (the APO N.T model focuses on CDEP-like part-time employment), we believe that this model represents a good first step towards moving beyond the CDP. Using the principles outlined the next section of this paper, we believe a model that contains many of the same strengths of the APO N.T model could be arrived at.

## What Should A CDP Replacement Look Like?

As outlined above, the ACTU believes that mandating a particular program or model to replace CDP would be to repeat the most fundamental error of CDP - ignoring the self-determination of, and the opportunity to collaborate with, indigenous and remote communities. Remote and indigenous communities must be key stakeholders in the design of any future assistance they receive. Disability activism has, in the English-speaking world, adopted the cry of 'nothing about us, without us' – communicating the idea that policies affecting a certain group should only be created through the direct participation of that group. This same over-arching principle must be used to develop a replacement of the CDP. To this end, the ACTU has developed the below list of principles which we believe can form the basis of an ongoing and collaborative dialogue with remote and indigenous communities aimed at developing a new remote jobs policy.

### Principle 1 – Co-design

The replacement for CDP must be developed in consultation with the communities it is intended to service. This must include a genuine co-design process that involves real input from the community about their needs, expectations and concerns. Far too often co-design consists of government presenting a finished model and asking communities to 'fiddle around the edges' in an attempt to appear consultative. This approach is disingenuous and has resulted in the steady decay in the quality of services delivered to these communities that we have observed.

Communities should be involved in the design, selection of providers and projects (if applicable) and the ongoing running and monitoring of any scheme developed to replace CDP.

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<sup>3</sup> Aboriginal Peak Organisations Northern Territory, Op. Cit

<sup>4</sup> ACTU, *Jobs You Can Count On*, ACTU, 2018. <https://www.actu.org.au/media/1033878/jobs-you-can-count-on.pdf>

## **Principle 2 – Place Based**

Remote communities across Australia are unique. Each has its own particular set of needs, challenges and strengths. Communities and their cultures differ, and any effective system to assist those communities will need to be flexible to that reality. An attempt to replace CDP with a single one-size-fits-all model is doomed to fail. The replacement for the CDP needs to acknowledge the primacy of place in determining solutions to unique problems and embrace the complexity that this requires. Attempts to keep costs down or to ‘simplify’ administration by applying cookie-cutter solutions reflects an over-simplification of the issues facing remote and indigenous communities and would also imply a failure to genuinely implement the co-design principle.

## **Principle 3 – Focussed on Job Creation**

The make-work programs of the past have failed to assist remote communities. They have resulted in disengagement, depression and have failed to produce meaningful economic activity. Any replacement of CDP must have as its core goal the creation of full-time, skilled and decent jobs in remote communities. While there must be an acknowledgment of the times when this solution is not fit for purpose, it should remain the broad aim of the program to assist participants to find full-time work and to create full-time job opportunities in their communities. Any work created by the program must be paid at award wages, include superannuation and provide workers with coverage by OHS and Worker’s Compensation legislation.

## **Principle 4 – Supportive, not Punitive**

The obsession with enforcing labyrinthine and unrealistic participation requirements, and the resulting avalanche of penalties levied against participants, is one of the reasons the CDP has been unsuccessful in achieving positive change in remote and indigenous communities. Any replacement program must do away with its focus on precise compliance and punitive punishments in favour of flexibility and an understanding of the realities of life and culture in remote communities. The new program would need to be designed to facilitate and support engagement with the program as opposed to mindlessly punishing perceived non-compliance. Punitive measures must remain a last resort.

## **Principle 5 – Ongoing Support**

A weakness of many of the previous remote jobs programs is that they have ceased to provide meaningful and ongoing support once a participant finds work. This ‘any job’ approach has resulted in a churn of workers through low-skilled positions and limited the opportunities for personal and community development. A focus of the new program must be on not only getting people in to jobs, but on keeping them there and helping them build skills for advancement. Additionally, while a ‘jobs first’ approach makes sense for many participants, people with significant barriers to employment must be assisted to address those barriers, rather than being expected to be

immediately work ready. Any new system must consist of both effective pre-employment and post-employment support to ensure participants are able to find and keep decent jobs that help build their communities.

### Principle 6 – Long-term solutions

Any replacement for CDP, as part of its repudiation of make-work and its focus on creating genuine employment in remote communities, must be focussed on developing and operationalising long-term solutions to the issues facing remote communities. Focussing on ongoing training, apprenticeships and the funding of projects and social enterprises with long-term aims of creating full-time employment and genuine economic activity must be a central goal of the new program.

The ACTU believes that by following these principles, any new Australian government that is committed to ending the racist and ineffective CDP will be able to replace it with a program that is fit for purpose, effective and, crucially, is supported by the remote and indigenous communities it services.

### Enabling Factors and Next Steps

There are a number of institutional and structural changes that would need to be made to implement a program of this scope. While the exact details of these changes would be determined by the precise nature of the program developed, they are broadly predictable at this stage. Factors requiring consideration will be:

- The creation of a flexible funding pool (similar to the Remote Jobs Investment Fund called for by APO N.T) that can be used to fund community-selected projects and enterprises that meet the needs of the community and which build economic and social development.
- A new focus on the creation and support of social enterprises in communities which can provide ongoing employment and economic activity after a period of supported operation.
- A new funding and assessment methodology will need to be developed that places high-quality service delivery and community engagement at its core.

**The comprehensive engagement, consultation and co-design of a replacement for CDP will be, if undertaken properly, a long process. Unfortunately, this will mean that remote communities will be forced to endure either the CDP or the lack of any such program in the meantime. In order to avoid this outcome while also not exposing communities to the CDP for any longer than necessary, the following immediate reforms should be made to CDP by an incoming government to ameliorate its worst effects:**

- **The removal of guidelines that require providers to undertake punitive action for infractions without discretion.**
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- **The variation of current CDP contracts to facilitate and encourage community engagement and a focus on long-term job creation and skills development**
- **The roll-out of social enterprise and community-driven project pilots to determine best practice.**

## **In Conclusion**

The ACTU believes that the CDP can be removed and replaced with a more effective, consultative and culturally appropriate program that doesn't discriminate against indigenous Australians. By utilising the principles outlined above, an Australian government that is committed to genuinely assisting remote and indigenous communities will have the tools to replace CDP with a meaningful and effective program. Australia must halt our employment current policy paradigm where we slide inexorably toward compliance and make-work programs like WfD and CDP – this can be an important first step in doing so.

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