

C D E P : A Failure by Any Other Name

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Of all the good intentions with which, it is said, the road to Hell is paved, the Commonwealth government's Community Development Employment Projects (CDEP) program must rank among the highest. Thirty years after its introduction, it is fair to describe it as a failure by any other name.

In what follows I first recount the history of CDEP – its introduction with a very limited objective, its ramification both geographically and as to its objectives, its eventual truncation by the former Minister for Families, Community Services and Indigenous Affairs, Mal Brough, and its apparently intended restoration, at least in part, by his successor, Jenny Macklin.¹ The results of the program are then considered, including some assessment of its effectiveness and contribution (or lack thereof) to reducing the welfare dependency situation of Aboriginal and Torres Strait Islanders (ATSI).²

Turning from the past to the future, the paper notes the stated intention of the Rudd Government to formulate “a strategy for Indigenous economic development” that will “address the foundations of *sustainable* economic development across Australia”³ (my italics). This “strategy”, to be launched later this year, will focus *inter alia* on how the CDEP program⁴ “can be reformed”. Criticism, however necessary it may be, is always more powerful if accompanied by positive suggestions for reform. So with that in mind, and having regard to the government's stated intentions, the paper concludes by addressing the question, What Really Needs to be Done?

The History: The CDEP program was introduced by the then Department of Aboriginal Affairs in 1977 within strictly limited constraints, both geographically and as to its objectives. Geographically, it was to be confined to remote communities where, it was (correctly) argued, there were few or no real employment opportunities. Rather than simply paying unemployment benefits – or “sit down money”, as the recipients soon accurately termed such payments – to the Aborigines located in these communities, it was proposed to offer at least some of them “jobs” to perform (originally) the kind of tasks that were otherwise the responsibility of government service providers. These included servicing such public facilities

as existed, collecting garbage and otherwise maintaining some degree of “liveability” in these remote communities. It is fair to add that, with the Whitlam-created unemployment level still stubbornly running around 6 per cent of the Australian labour force,⁵ a transformation in these areas from having people classified as unemployed to having them classified as “employed”, may not have been unattractive to an already beleaguered Fraser Government.

The scheme got under way at one remote location in the Northern Territory. In 1977-78, it covered roughly 500 participants at two locations, with expenditure of \$2 million. As a result of the 1967 referendum, the Commonwealth government now possessed full constitutional power to make laws throughout Australia for “the people of any race for whom it is deemed necessary to make special laws”.⁶ However, the choice of a Northern Territory location to initiate the scheme was also doubtless influenced by the fact that, as a Commonwealth Territory (and one, at that time, not even enjoying self-government), the Department of Aboriginal Affairs possessed full authority to proceed there without having to rely on that newly-found power.

Gradually, as the Aboriginal industry (bureaucrats, service providers, non-Aboriginal hangers-on and assorted Aboriginal “leaders”) became better established and more inventive, the scheme expanded. What had started out as a program to fund activities that at least bore some relationship to real jobs, gradually morphed into a program funding more and more diverse, and less and less real-job-like activities. From providing (or at least purporting to provide) on-the-job training to equip the recipients to find real jobs in the wider labour market outside their home communities, the program began to finance a wide variety of other bewilderingly diverse activities, most of which seemed to bear little or no relationship to future more general employability. These included so-called cultural activities, such as attendance at boozy funerals – often for periods of a week or more – and domestic house work of a kind that one might normally expect to be carried out in any case. Meanwhile, too, one relatively firm Minister for Aboriginal Affairs (Ian Viner, 1975-1978) had been replaced by a much weaker one (Fred Chaney, 1978-1980).

Even at this early stage, too, the shape of things to come in terms of the program’s administration was already emerging. To state the obvious, when you set up a scheme of this kind it has to be administered by someone. Participants in the scheme need to be selected as being capable of carrying out the prescribed duties. They then need to be in some sense

“monitored” to ensure that they are actually carrying out those duties for the required number of hours each week. On pay days, pay slips must be made out, and appropriate arrangements for payment made. To whom are these responsibilities to be entrusted? In particular, are they to be entrusted to “locals”, or to non-Aboriginal administrators (from the Department of Aboriginal Affairs or elsewhere) brought in from outside the community?

It is worth dwelling on this administrative aspect for a moment, not only because of its importance for the manner in which the CDEP program evolved over the years, but also because of its importance in any attempt (as now seems to be envisaged) to maintain and “revive” it. It is convenient to do so by considering in turn each of the possibilities just mentioned.

On the face of it, the idea of having the scheme administered by “*locals*” might seem attractive. With some training in elementary book-keeping (and time-keeping), the job of supervising CDEP participants – once they have been chosen – ought to be simple enough. In practice, what seems to have happened in a large majority of cases (though of course, not all) is that the supervisor became a source of patronage. This was doubly likely if, on cultural grounds, he (and it has almost always been a man) was already seen as a “Big Man” in the local community. This man was now in a position to dispense favours. However CDEP participants in the community may have been selected initially (and he may also have had a hand in that), it was now open to him to recommend that X or Y be added to their numbers. And since in that case it would be necessary to devise appropriate tasks for X and Y to perform in return for their CDEP payments, that in turn would lead to pressure (as noted earlier) to expand the list of activities eligible to be classed as “employment” within the program.

The possibilities of patronage, of course, are not confined to the participant selection process. Once employed (sic), a participant may, or may not, faithfully perform his (or less frequently, her) duties. If he chooses not to do so, he may still be fully remunerated so long as the administrator chooses to turn a blind eye to his failings.

Patronage, however, is rarely a one-way transaction. While much of what occurs may owe its genesis to “skin” relationships, such relationships themselves are not free of other aspects. On pay-day, a CDEP participant may be expected to proffer suitable tokens of gratitude to his benefactor, whether in the form of cash or, more often, other forms such as grog. Worse still,

of course, are those forms of requital which involve either the bestowal of sexual services more or less voluntarily, or the taking of them, involuntarily but without fear of effective protest.

In short, when “locals” became CDEP administrators, we had all the factors making for the introduction of corrupt practices, ranging from mere monetary speculation (serious enough though that is) to the worst forms of sexual predation.

One approach to avoiding such problems might have been via the appointment of administrators from the *Department of Aboriginal Affairs*. This would hardly have been sensible in dealing with the smaller remote communities, in the “homelands” or “outstations”, where allocation of departmental personnel would have involved them largely sitting around doing nothing. As the scheme expanded to take in larger Aboriginal communities in regional and urban areas (see below), such a course became theoretically feasible. However, those larger communities usually contained numbers of Aborigines possessing, on the face of it, ample qualifications to undertake the not unduly demanding responsibilities involved. If only on “positive discrimination” grounds, therefore, such people were likely to be favoured. In practice, appointment of administrators from the Department would therefore have been rare, except in cases where the administration of the scheme had broken down so badly that it had been forced to intervene and, at least temporarily, supply departmental resources to rectify the situation.

That brings me to the third alternative – the appointment, as administrators, of other *non-Aboriginal persons* brought in from outside the relevant community. On the face of it, this might be seen as an appropriate “fall back” option in those cases where no suitably qualified “local” could be found to undertake the responsibilities involved. Yet, as with so much else in the domain of Aboriginal affairs, appearances are one thing, but realities are another.

The problem in this case lies in the kind of non-Aborigines offering for these administrative positions. Bear in mind that such appointments involved actually residing in remote (originally) localities, often in extremely unhygienic surroundings, possibly in conditions where personal security could become a consideration, perhaps even cut off (before the days of mobile phones) from telephone contact with the outside world. Broadly speaking, people prepared to endure such unattractive conditions would have fallen into three categories:

- A small number of truly dedicated non-Aboriginal persons possessed of a genuine “vocation” for improving the dreadful lot of the Aboriginal residents in these communities, and prepared to make the personal sacrifices involved in doing so.
- Non-Aboriginal hangers-on forming part of the growing Aboriginal industry, willing to accept (and be paid for) these administrative responsibilities, but whose conscientiousness in discharging them would have been, in many cases, questionable.
- A third element of non-Aboriginal persons, smaller but much more dangerous, seeking a legitimate “cover” for residing in these remote communities for reasons that would not bear closer scrutiny – ranging from power-seeking at best through paedophilia at worst, with all the unlovely gradations in between.

Of these three categories, we may set aside the first. Persons in the third category have some characteristics in common with “locals” of the “Big Man” variety – that is, they would be prone to corrupt administrative practices of the kind noted earlier, in return for which they would exact those favours, the search for which had brought them into these positions in the first place. As to the second (and presumably most numerous) category, they were most likely to have seen their jobs as simply collaborating with the local power-brokers and enjoying the vicarious prestige and other forms of remuneration derived from doing so.

When the Hawke Government came to office in 1983, the CDEP program was still confined to remote settlements. By 1982-83 the number of such schemes (strictly, “CDEP organisations”) had risen to 18, with roughly 1,300 participants and an annual expenditure of \$7.4 million. However, with a new government and an Aboriginal industry both growing in numbers and now with more privileged access to the decision-making process, things were about to change.

The first significant change, in 1984, involved the major expansion of the scheme to cover ATSI communities in regional and urban areas. Virtually overnight, the number of CDEP organizations almost doubled, and the numbers of participants “employed” under them began to grow by leaps and bounds – as did, of course, the government expenditure involved. Within five years – by which time Gerry Hand, then leader of Labor’s Left faction, had become Minister for Aboriginal Affairs (1987-1990) – the number of CDEP organisations had risen five-fold, from 18 in 1982-83 to 92 in 1987-88. The number of participants had grown almost six-fold, from around 1,300 to around 7,600, while expenditure had jumped from \$7.4 million to \$65.5 million. The unemployment figures, which were as much of a concern for the Hawke

Government on coming to office as they had been for the Fraser Government eight years earlier, were of course marginally lower as a result than they would otherwise have been.

Meanwhile the scheme had been expanding not merely geographically but also in terms of the activities considered eligible for its participants to undertake. Whereas originally the emphasis had been on what were loosely described as “town management” activities, the growing numbers of participants quickly outstripped the capacity of such activities to provide even a semblance of employment, despite the limitation of the “jobs” involved to (usually) around 15 or 16 hours per week. Soon it became common for CDEP participants to be providing – or purporting to provide – all manner of services generally associated with local government. Garbage collection, maintenance of water and sewerage services, road maintenance (and sometimes road construction), and other such activities all began to be undertaken in the remote communities by CDEP participants – often to the point where these were almost the only labour force engaged in such activities.

By 1989 relations between the Minister and his departmental head (the late Charlie Perkins) had become, to use a kindly word, fraught. More generally, too, Gerry Hand had become, to use another kindly word, disenchanted with the necessity for him to stand up in Parliament and respond to questions about this or that corrupt practice, or this or that aspect of social disfunctionality, in the Aboriginal institutions coming within his portfolio. Thus emerged the concept of the Aboriginal and Torres Strait Islander Commission (ATSIC), to which he proposed to devolve these responsibilities.

I happened to be in the Senate at that time, and the Opposition waged a lengthy battle there to block the ATSIC legislation, or if that were not possible, at least to improve it. Some improvements were made, but after a delay of many months the Australian Democrats performed their usual feat of rolling over while Labor tickled their tummies (in one way or another). The Bill became law, and in 1990 ATSIC came into being.

While the CDEP program remained, formally, with the Department, it was not long before pressures from ATSIC Commissioners bent on expanding their patronage potential began to result in further expansion both in numbers and in forms of eligible activity. In particular, so-called “cultural maintenance” activities began to assume a much more prominent place. Apart from the extensive (and extended!) attendance at funerals mentioned earlier, other such

“cultural maintenance” activities included the “maintenance” of Aboriginal languages and widespread engagement in Aboriginal arts and crafts. In 1994-95, after responsibility for the CDEP program had been formally transferred in 1994 to ATSIC Regional Councils – bodies which, with very few exceptions, were even more corrupt than ATSIC itself – the number of CDEP organizations had risen much further (to 252), covering roughly 27,000 participants and expending \$278 million.

This is not the place to catalogue the problems deriving from ATSIC, or the failures in virtually everything it undertook. Suffice to say that, while the CDEP program had already gone steadily downhill before it came under ATSIC “control”, the transfer of responsibility for it to the ATSIC Regional Councils marked, in effect, the end of any semblance of coherent policy. While the number of CDEP organizations broadly stabilized (around the 270 mark) after the election of the Howard Government in 1996, participant numbers continued to increase. By 2003-04 they had reached roughly 35,000, with expenditure of around \$500 million. Some 5,000 “artists” in the Northern Territory alone were being supported by Australia’s working families (to employ a term now much in vogue).

Enough, one might have thought, was enough. From July, 2004 ATSIC was abolished – with, it must be acknowledged, the full support of the Labor Party, then led by Mark Latham. Responsibility for the CDEP program was handed back to Canberra, but *not*, interestingly, to Senator Vanstone’s Department of Immigration and Multicultural and Indigenous affairs. Instead, it was bestowed upon the Department of Employment and Workplace Relations (DEWR) – a department which, with all its faults, was perhaps thought to understand that the program was originally intended to provide Aborigines with the training and skills needed for them to enter the broader labour market.

While responsibility for administering the CDEP program remained with DEWR, policy was now the responsibility of the Office of Indigenous Policy Coordination. In January, 2006 that Office was removed from the ineffectual Vanstone and transferred to the Family and Community Services portfolio under Mal Brough. At last, decisions began to be taken – most importantly, the decision to terminate all CDEP programs in urban and major regional areas as from 1 July, 2007 – to end the farce that, after almost 30 years, the CDEP program had become.

The Results: Surveying these 30 years of failure, some clear conclusions stand out:

- Almost from the outset, and clearly since the major decision in 1984 to extend it to urban and regional Aboriginal communities, the CDEP program has lost what was originally intended to be its way.
- At least from the mid-'80s onwards, successive Ministers for Aboriginal Affairs (from Gerry Hand through to Amanda Vanstone) have deliberately sought to have as little personal involvement with the program as possible. Like so much else in the area of Aboriginal affairs, the approach has been, in effect, to throw increasing amounts of money at it while asking not to be bothered by it.
- Increasingly, the program fell into the hands of the Aboriginal industry in general (including that significant part of it located within the Canberra bureaucracy) and the “self-determination” or “cultural autonomy” crowd in particular. Assorted hangers-on, such as the Centre for Aboriginal Economic Policy Research (CAEPR), also located in Canberra within the Australian National University, pursued these latter objectives while reclining comfortably on the associated academic gravy train.
- There is also clear evidence that in some jurisdictions, particularly in the Northern Territory, State and local governments came to see the scheme as a readily available means of cost-shifting (from themselves to the Commonwealth) in the provision of government services – local government services, education services, health services and so on.

At the outset, this was a well-intentioned, although extremely naïve, program to provide “real” Aborigines,⁷ living in communities where no or few job opportunities were available, with training and skills to equip them to move out of these anthropological museums⁸ and find real jobs in the wider labour market. Thirty years later, it had become merely yet another in the plethora of programs providing incomes for members – both Aboriginal and non-Aboriginal – of the Aboriginal industry by treating Aboriginal Australians as inferior beings incapable of existing in the modern world.

As to the program’s ineffectiveness, the evidence is overwhelming – to the point where even such ideologically committed bodies as the CAEPR have clearly struggled to find rationalisations to continue justifying it.⁹ A few facts may help:

- In 1997 the ATSIC Office of Evaluation and Audit found that, of 430 CDEP participants whom it interviewed (6 to 30 months after they had left CDEP), only 28 per cent had jobs, and of these, half were employer-subsidised. In other words, only 14

per cent of these CDEP participants had found non-subsidised jobs. Of the 76 per cent not in employment, two-thirds (50 per cent) were unemployed, and the rest (26 per cent) had dropped out of the labour force.¹⁰ This was despite the fact that, as the Report noted, it was “focused mainly on urban-based CDEPs” (where, one might have presumed, labour market opportunities for those leaving the CDEP program would have been greatest). The OEA also concluded that “62 per cent of CDEPs paid a CDEP wage to ‘participants’ who stay at home” performing home duties and mowing their own lawns.¹¹

- In 2001, Dr Peter Shergold, then Secretary of the Department of Employment, Workplace Relations and Small Business, and who had earlier himself served as the Chief Executive Officer of ATSI (1991-1994), said flatly that the program “had been an abysmal failure” in reducing Aboriginal welfare dependency and “progressing [CDEP participants] to mainstream employment”.¹² Moreover, according to Dr Shergold, “very few of those Indigenous people who are employed are at work in the private sector. The great majority are on CDEP, or have jobs in Commonwealth, State or Territory public services, or have jobs in local government or are working for community controlled Indigenous organizations which are largely publicly funded. Private sector employment remains the great challenge”.¹³ That observation remains as valid today as it was seven years ago, and I shall return to it below.
- In 2001 also an Australian Bureau of Statistics publication¹⁴ remarked that “programs such as the CDEP scheme.....may be assumed to have been migration inhibiting”. In other words, so far from the program facilitating the movement of ATSI into mainstream jobs, it (along with the social welfare programs to which “employed” persons have access) acts as a positive deterrent to such movement.
- Cathy Duncan, a Director of the Aboriginal Employment Strategy originating in Moree and herself an Aboriginal woman, in a speech launching the *Social Justice Report 2005* of the Human Rights and Equal Opportunity Commission, strongly criticised the scheme, saying that “CDEP is not an employment option”, that it has “entrenched the idea of welfare”, and that it “makes the transition ...to full-time employment more of a challenge to Aboriginal people”.¹⁵
- At the Censuses of 1996, 2001 and 2006, ATSI in employment (excluding those “employed” under CDEP) constituted only 50 per cent, 54 per cent and 60 per cent, respectively, of the ATSI labour force. These percentages compared with figures of 91

per cent, 93 per cent and 95 per cent, respectively, for the non-ATSI population on the same dates.¹⁶

- At first glance these figures for ATSI employment, while undoubtedly very low, might nevertheless seem to show some improvement over the ten years 1996-2006. Any such conclusion would be a case of how to lie with statistics. What the figures are revealing is that, as the numbers of people categorized as ATSI's grew very strongly because of the "self-identification" phenomenon, the new entrants to the category enjoyed greater access to jobs than those still locked out of the labour market in their "outstations", "homelands", or even so-called "town camps" (the industry's term for fringe dwellers).
- Much the same picture is given by looking at the work-force participation rates involved at the same dates. ATSI's in employment (excluding those "employed" under CDEP) at the three Census dates constituted only 25 per cent, 27 per cent and 34 per cent of the total ATSI population aged 15-64. (The "self-identification" effect is also evident in these figures). The comparable figure for the non-ATSI population at the 2006 Census, for example, was 67 per cent.¹⁷
- Yet even these figures greatly overstate the participation rates for ATSI's residing outside the mainstream. For example, whereas 34 per cent of the total ATSI population aged 15-64 were in (non-CDEP) employment at the time of the 2006 Census, the corresponding figure for those residing outside the mainstream has been put at only half that (17 per cent).¹⁸
- Writing in 2007, Professor Helen Hughes said that the CDEP scheme has made it "difficult for men and women to contemplate mainstream work standards when they know they will receive 'sit-down' CDEP money for doing very little or nothing at all".¹⁹
- Even more recently, such prominent Aboriginal leaders as Warren Mundine, Noel Pearson and "Tracker" Tilmouth have all condemned the scheme as, in effect, conducing to welfare dependency rather than to escaping from that situation.

The list could go on, but there is little point in extending it. The fact is that the CDEP scheme has not only failed in almost every respect that could be mentioned, but what is worse, it has also become a positive obstacle to ATSI's acquiring mainstream jobs, and the independence and personal self-respect that goes with them.

The Macklin “Strategy”: In her media release of 30 April last²⁰ the Minister for Families, Housing, Community Services and Indigenous Affairs, the Hon Jenny Macklin said that:

- The government “will shortly begin consultations on Indigenous employment services reforms”.
- These will include “substantial reform of the Community Development Employment Program”.
- The forthcoming review of the Northern Territory Emergency Response (NTER) will “examine the effectiveness of employment and income support measures trialed over the last twelve months”. The findings of that review will “be taken into account” in formulating the government’s final strategy.
- Meanwhile, all current CDEP providers will be advised “that up to a further 12 months of funding will be available from 1 July 2008”.
- All the government’s new measures are “to be in place by 1 July 2009”.
- “The government will, as an interim measure, introduce [she means “re-introduce”] CDEP from 1 July, 2008 in the 30 prescribed Northern Territory communities where CDEP was abolished” by her predecessor.
- “The government is strongly committed to reforming CDEP and will be taking an evidence-based approach” to producing a new system “that requires people to take up job opportunities available in their local area”.

Despite her claim to be going to take “an evidence-based approach” to these matters, and her description of the review of the NTER as still “forthcoming”, other aspects of the Minister’s statement suggest that she has already made up her mind on several issues. For example, she notes “the previous government’s rushed decision to abolish CDEP in the Northern Territory”, and says that its “system of transitional payments.....until 30 June, 2008 is not working”.

While making some ritual bows towards “stopping further decline into passive welfare”, and requiring CDEP recipients “to work to receive their pay”, the words between the lines have about them the familiar whiff of the Aboriginal industry bureaucracy and the academic “cultural autonomy” crowd, by whom Labor’s Left, in particular, has long been swayed.

The Minister’s statement, supplemented by her Discussion Paper referred to earlier, *Increasing Indigenous Economic Opportunity*, strongly suggest yet another move forward to the past.

While her statement speaks of requiring ATSI’s “to take up job opportunities available in their local area”, it is silent on what is to be done in those cases (i.e., most of them) where no such

job opportunities exist. Similarly, while the Discussion Paper speaks of addressing “the foundations of *sustainable* economic development across Australia” (my italics), it gives no indication as to how such a dream is to have any hope of fulfilment in the areas – that is, the remote and very remote localities – where the problem of Aboriginal unemployment is most desperate. Nor does it give any indication of what is to be done when that dream is seen to be nothing more than the same old nightmare.

In short – and while it would be wonderful to be proved wrong – my personal judgment is that the Rudd Government, in this area as in a number of others, is seeking to prepare the ground for a lapse back into the failed policies of the past. The new arrangements will doubtless have new, snappy names dreamed up by the Hawker-Britten public relations team, with new logos, attractive video clips and all the rest of the razzmatazz with which we have now become rather familiar. What they will not have, I suggest, are effective policy measures to address the problem. So, what really needs to be done?

What Really Needs to be Done? In considering that matter, I have asked myself two questions:

- What really is the problem to be addressed?
- The problem once defined, how would you design a scheme to address it, over time, effectively?

Defining The Problem: The essence of the problem is clear enough:

- As Noel Pearson and others have correctly pointed out, continuing welfare dependency is poison, and the first essential for remedying it – the *sine qua non* – is employment.
- Moreover, the jobs in question must be real jobs – not subsidized jobs (welfare by another name), not government jobs (welfare, in most cases, by yet another name), not charity-provided jobs (welfare once more), but real jobs, in which a profit-seeking employer wants you to work and is prepared to pay you according to the output you deliver. As Dr Peter Shergold said seven years ago in that comment quoted earlier, “private sector employment remains the great challenge”.
- In 2007, some 89,000 ATSIIs aged 15 years and over were living in remote areas²¹ where, with very few exceptions, few real job opportunities exist, and virtually none that is in the non-subsidised private-sector

- While a large proportion of the other 238,000 ATSI's aged 15 years and over, residing in 2007 in the regional or urban areas, has already been absorbed, or is in the process of being absorbed, into the wider community mainstream, a still significant element of this component also has barely begun to make that transition. These are the "fringe dwellers" in the Todd River and other such "town camps", or the larger communities such as Wadeye.
- Unless real job opportunities can be created in the remote (and very remote) areas – and by "real job opportunities" I do not mean the rag-bag of trumped-up "economic development" schemes for which the Aboriginal industry has been notorious ever since the days of 'Nugget' Coombs's turtle farms – the people in those areas will have to move, or be moved, out. Here too the problem has been long recognized. In that 2001 ABS publication quoted earlier, the author (Boyd Hunter of the CAEPR) acknowledges that "unless future governments mandate or facilitate the movement of Indigenous people away from current residences in high unemployment rate areas, many of which are in or near traditional country,.....improvements in Indigenous economic status will continue to be overly dependent on the prospects for development in the local region".²²
- It goes without saying, of course, that if some of these people do not wish to be moved out (despite inducements that would obviously need to be offered to do so), they could not be *forced* to move. In the end, the choice must be theirs. But – and this is the key point – notice must be served on them that, over time, all government aid to maintain these remote settlements will cease, and a timetable for that run-down must be promulgated. While those concerned must have a choice, they cannot have it both ways.
- Since the prospects for real jobs in these areas are slim – the occasional mining operation being about the only possibility in most cases – this eventual movement will need to be substantial.
- However, while movement will be necessary, it will clearly not be sufficient. Almost all of the people we are talking about do not possess even the rudiments of the skills necessary to take up jobs. They lack numeracy, literacy, even (in many cases) the capacity to speak English at a level sufficient to function in the mainstream labour market.
- Before these people can become job-ready, therefore, most of them will need to go back (or go) to school, and to do so for several years. This also applies, though to a lesser

extent, to those who have already made the first movement, out of the remote areas and into the “town camps” and other larger communities.

- Even if this major hurdle can be overcome, it needs to be accepted that the marginal product of these people will, at least initially, remain rather low. While the situation will vary from case to case, it will therefore be essential that ATSIs are exempted from the barrier to employment that our workplace relations system now constitutes. If the government, and the trade unions, and the welfare agencies are to insist on the payment of award wages (even minimum award wages) for such people, very few jobs will be offered to them. If, by contrast, employers in regional towns, or anywhere else for that matter, can be legally permitted to offer jobs initially at wage rates which don't involve them in losing money (i.e., charity by the back door), there will be a good chance of them doing so. If any solution to the Aboriginal unemployment situation is to be found, this is a Rubicon that must be crossed.
- Finally, it is inherent in the foregoing that the attachment to “cultural autonomy” must be abandoned. It is going to be hard enough for these people to move into mainstream employment, without having their progress towards doing so blocked by assorted anthropologists and other ideologues still bent on fighting that particular “culture war”.

Addressing the Problem: In considering actions to address the problem, two prior conditions need to be stated:

- First, the job needs the full-time attention of a senior Minister, and that Minister needs to be a person hard-headed enough, and public-spirited enough, to be willing to run the risk of appearing hard-hearted. Any program to address the problems just outlined will require the taking of tough decisions, and measures that will provide a rich field for the tabloid press, and for the critics more generally. There is no nice way to put this, but the present ministerial incumbent is clearly not up to this job. Nor would she be up to it even if she were relieved of her other major responsibilities (Families and Housing). Even Mal Brough, although possessed of most of the necessary attributes, was burdened with other responsibilities. The problem is too important for that situation to continue.
- Second, a major clean-out of the present Aboriginal bureaucracy is essential. Its increasingly numerous denizens have grown fat over the years. I in no way absolve successive Ministers (Brough apart), of both political persuasions, from their ultimate

responsibility for the present state of affairs. Nevertheless, the problem now to be confronted is, in large part, also of these bureaucrats' creation. If the task of remedying it is to be left to them (even under a strong and full-time Minister) it will be undertaken half-heartedly at best.

Change of this kind cannot be made overnight, and it must start at the top. What is needed is a new Department, with a new (and top flight) Secretary. He or she must have power to fill positions at salary levels well above those presently obtaining, with a view to attracting people from the private sector as well as from other, more respected parts of the bureaucracy, and with a remit to change (say) 90 per cent of the existing faces within (say) three years.

If we could assume those two prior conditions to be satisfied, a program along the following lines would at least begin to address the problem:

- First and foremost, abandon the CDEP program in its entirety. So far from "reforming" it, or seeking to maintain it in the remote areas, it should be terminated without further delay. This would have the incidental benefit also of removing many of the rorts and other opportunities for corruption that presently derive from the CDEP program.
- Since, as noted earlier, people cannot hope to get real jobs unless they can speak and comprehend English (up to a reasonable standard), read (up to a reasonable standard), write (up to a reasonable standard), perform at least simple numerical tasks, and perhaps even make some use of a computer, this basic educational training is the area on which, in the first instance, resources need to be concentrated.
- Attempts to have teachers move to remote localities should be abandoned, and teaching resources both strongly expanded and focused on elementary instruction of the kind indicated. To that end, specific purpose centres for such elementary instruction need to be established in a number of major regional cities (Alice Springs, Catherine, Mount Isa, Moree and so on).
- Such centres should be strictly focused on these remedial tasks. They should *not* be allowed to be diverted into so-called "cultural" instruction, and all teaching should be in English.
- Although the suggested program relates to those aged 15 years and over (that is, to ATSI's already old enough, or who very soon will be, to enter employment), it is obvious that very similar basic educational needs are also present among their children. While it would be inappropriate for children and those aged 15 years and over to be

sharing the same instructional facilities, separate provision for children would also need to be made in the same regional town centres. The curriculum for these children would doubtless differ, but the most important need here also would be to focus, in the first instance, on the elementary instruction objectives noted above.

- Accept that a program of this kind will take different times to produce results for different individuals involved. Some of those entering the program could attain appropriate levels of proficiency within 12 months. For many, it might take three years, or in some cases even longer. But just as there is supposed to be a “no work, no pay” rule operating under today’s CDEP program (one honoured more in the breach than the observance), so there must be a “no study, no pay” rule – and a strictly enforced one – under the program proposed.
- Ensure that any “certificates” or other paper accreditations resulting from the educational program can be trusted by employers – unlike so many of those now handed out in the ATSI educational (sic) system, which are not worth the paper they are written on.
- While these preparatory steps are being taken, seek to interest employers in their outcome. By that I do *not* mean asking employers to take these people on as acts of charity – though some of them may, to some limited degree, choose to do so. Rather, employers must come to accept that this new source of labour will be qualified to undertake the tasks allotted to it (which is where the trustworthiness of those certificates comes in), probably in many cases at wage rates that, at least initially, fall below awards.

It would be possible to go on spelling out such details, but since that is not the chief purpose of this already over-lengthy paper, I shall leave it there.

Conclusion: There can be no argument that the CDEP scheme has been a failure. In its latter years it has not only failed to assist those participating in it to relinquish the poison of welfare dependency, but has also operated as a force locking them into that situation. It needs to be abandoned. Readers may disagree with my specific suggestions for dealing with the problem we now have, but “Discussion Papers” about how best to restore the CDEP are certainly not the answer. This is where the debate should now be focused.

Endnotes

¹ I have been assisted in this brief historical account by having recently acted as a reviewer for a forthcoming Centre for Independent Studies Occasional Monograph by M/s Sara Hudson, which covers all this historical ground in greater detail.

² Throughout this paper I have consciously avoided using the term “Indigenous Australians”. As a native-born (i.e., indigenous) Australian, my reasons for that were set out at some length in my recent *Quadrant* article, *Time to Stop the Dreaming* (April 2008). Just as that article focused on the plight of Aboriginal Australians – more precisely, Australians of (some degree of) Aboriginal descent – so does this paper. The CDEP program has been largely devoted to Aboriginal Australians, rather than Torres Strait Islanders. The abbreviation “ATSIs” is employed to avoid the mouthful otherwise involved in spelling out the conglomerate term in full, and (to avoid any possible misunderstanding) is in no way intended to be disrespectful.

³ *Increasing Indigenous Economic Opportunity*, Discussion Paper on the Future of the CDEP and Indigenous Employment Programs, at www.indigenous.gov.au.

⁴ And the Indigenous Employment Program.

⁵ This was at a time when Australians had been accustomed, prior to the advent of the Whitlam Government, to an unemployment rate of around 2 per cent or (usually) less.

⁶ Section 51(xxvi), as amended.

⁷ As distinct from the “pseudo” Aborigines – people of widely mixed genetic origin, having little (or in many cases no) connection with their distant Aboriginal forebears, but claiming Aboriginality for essentially pecuniary purposes. On all this, see *Time to Stop the Dreaming*, *loc. cit.*.

⁸ This is, of course, my term for these communities. It would never have been used by those responsible for establishing the program.

⁹ See, for instance, Boyd Hunter, *A half-hearted defence of the CDEP scheme*, CAEPR Seminar series, 12 March, 2008.

¹⁰ *Evaluation of the Community Development and Employment Program: Final Report*, Aboriginal and Torres Strait Islander Commission Office of Evaluation and Audit, Canberra, September 1997, Table 15.

¹¹ *Ibid.*, p.17.

¹² Peter Shergold, *The Indigenous Employment Program: A Preliminary Evaluation*, in *The Indigenous Welfare Economy and the CDEP Scheme*, Frances Morphy and William Sanders (eds), Centre for Aboriginal Economic Policy Research, Australian National University, Canberra, 2001 (CAEPR Research Monograph No. 20).

¹³ *Ibid.*, p.67.

¹⁴ Australian Bureau of Statistics, Australian Census Analytic Program, *Indigenous Australians in the Contemporary Labour Market*, 2001 (Catalogue 2052.0), p.35. Note that this publication was written by Boyd Hunter, then Senior Research Fellow in the CAEPR, and that “views expressed in this paper are those of the author and do not necessarily represent those of the ABS”.

¹⁵ Cathy Duncan, Director of Culture and Reputation, Aboriginal Employment Strategy, launching the HREOC’s *Social Justice Report 2005*, Museum of Sydney, March 2006.

¹⁶ Australian Bureau of Statistics, *Aboriginal and Torres Strait Islander People*, 1996 (Catalogue No. 2034.0); *Population Characteristics, Aboriginal and Torres Strait Islander Australians*, 2001 (Catalogue No. 4713.0); *Population Characteristics, Aboriginal and Torres Strait Islander Australians*, 2006 (Catalogue No.4713.0).

¹⁷ *Ibid.*.

¹⁸ Sara Hudson, CIS Occasional Monograph (forthcoming).

¹⁹ Helen Hughes, *Lands of Shame*, Centre for Independent Studies, 2007, p.72.

²⁰ *Government timetable for Indigenous employment reforms announced*, Joint media release with the Hon Brendan O’Connor, Minister for Employment Participation, 30 April 2008.

²¹ ABS, *Labour Force Characteristics of Aboriginal and Torres Strait Islanders*, 2007 (Catalogue No. 6287.0), Table 1.

²² *Indigenous Australians in the Contemporary Labour Market*, *loc. cit.*, p.43.