

Tabled. 14/11/91

GOVERNMENT RESPONSE

TO THE

RECOMMENDATIONS

OF

THE HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON
ABORIGINAL AFFAIRS

REVIEW OF

AUDIT REPORT NO 12
OF 1990-1991

(CDEP)

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NOVEMBER 1991

Government Response to the House of Representatives Standing
Committee on Aboriginal Affairs
Review of the Auditor General's Report No. 12, 1991 on
Community Development Employment Projects

by the Minister for Aboriginal Affairs.

The Government supports the recommendations of the House of Representatives Standing Committee on Aboriginal Affairs' Review of Auditor General's Report No. 12 on the Community Development Employment Projects scheme. The Aboriginal and Torres Strait Islander Commission, in conjunction with the Departments of Employment Education and Training and Social Security, have already made considerable progress in addressing the issues identified both by the Auditor-General and the Standing Committee.

A more detailed report on the measures taken by these authorities in respect to issues raised in the Standing Committee's Review Recommendations is attached.

The Community Development Employment Projects scheme is an employment program which currently provides work for some 18,000 Aboriginal and Torres Strait Islander people and forms a key part of the Government's Aboriginal Employment Development Policy which aims to increase the level of social and economic development in the Aboriginal and Torres Strait Islander community. Members of Aboriginal and Torres Strait Islander communities participating in the scheme agree to forego their Job Search or Newstart allowances in exchange for the opportunity to earn, through part-time work in projects benefiting the community, at least the equivalent of their allowance entitlements. Community Development Employment Projects grants provide funds for wages and operational costs.

In reviewing the Auditor-General's Report No. 12 1991 the Standing Committee has identified a number of priority areas in the operation of the Community Development Employment Projects scheme which require attention. It should be emphasised that in doing so, they have recognised the important contribution that the scheme has made, over the 14 years of its operation, to the economic, social and cultural development of participating Aboriginal and Torres Strait Islander communities.

The Community Development Employment Projects scheme has become such an important component of Commonwealth Government programs for Aboriginal and Torres Strait Islanders, and a key element of the Aboriginal Employment Development Policy, because Aboriginal and Torres Strait Islanders themselves consider that the scheme offers real opportunities for increased self management and a viable

alternative to welfare dependency. This is reflected in the fact that currently over 7,000 individuals in more than 100 communities are seeking access to the scheme.

Over recent years the Community Development Employment Projects scheme has been subject to close scrutiny. Apart from reports by the Auditor-General and Standing Committee, aspects of the operation of the scheme have been reviewed by interdepartmental committees in 1990 and 1991 and a full evaluation of the scheme is planned as part of the review of the Aboriginal Employment Development Policy in 1992-93.

This scrutiny, in part, reflects heightened expectations of programs which comprise the Commonwealth Government's Aboriginal Employment Development Policy. Such expectations are especially noteworthy in respect of the Community Development Employment Projects scheme. By participating, individuals and communities are foregoing an entitlement and voluntarily committing themselves to undertake projects which require considerable individual and administrative effort to earn the equivalent of that entitlement.

Criticisms of the Community Development Employment Projects scheme that were raised by the Standing Committee relate to two main issues. Firstly, the Review questioned the adequacy of financial and administrative monitoring at both the program and project level. As well, the Standing Committee identified the need for improved integration of individual projects into more strategic and planned development of communities and regions.

In relation to both of these general areas of criticism, the Government is committed to ensuring that the recent administrative initiatives of the Aboriginal and Torres Strait Islander Commission and the Departments of Employment, Education and Training and Social Security will be continued and their effectiveness monitored.

As a result of an interdepartmental review earlier this year, the Aboriginal and Torres Strait Islander Commission and the Department of Social Security have begun developing revised arrangements for separately monitoring participation. The Government has also provided additional staff to the Aboriginal and Torres Strait Islander Commission which will enable a census of participants in Community Development Employment Projects. The census will be conducted in coordination with the Department of Social Security.

The appropriate planning forums for Community Development Employment Projects and other economic and community development initiatives are community organisations themselves, as well as the Aboriginal and Torres Strait Islander Commission's Regional Councils and Regional

Coordination Committees operating within the Aboriginal Employment Development Policy. The skills and procedures needed at local and regional levels to develop viable community and economic plans are complex. Disseminating such skills and procedures throughout the program nationally will involve considerable planning and support for community infrastructure, and must be based on a clear assessment of local priorities, needs and capacities. The Department of Employment Education and Training and the Aboriginal and Torres Strait Islander Commission are jointly conducting pilot community development planning projects in six communities, five of which are administering Community Development Employment Projects. The planning procedures being trialled may offer models for other communities and regions.

The Government specifically endorses the view of the Standing Committee that the review of the Aboriginal Employment Development Policy, to be conducted in 1992-93, should provide a full evaluation of the Community Development Employment Projects scheme, including its role in achieving the social and economic goals of the policy framework. It is intended that the Review of the Aboriginal Employment Development Policy, in considering the Community Development Employment Projects scheme will draw together the outcomes of the recent interdepartmental reviews of the scheme as well as the findings of the research consultancies now being developed.

Apart from its commitment to administrative review, the Government has made two recent decisions which will assist in overcoming administrative difficulties identified by the Standing Committee. Firstly, the Government has committed itself to seeking to introduce an amendment to legislation to bar access to Job Search and Newstart allowance by participants in Government-funded community based schemes such as Community Development Employment Projects. This measure will respond to the Auditor General's concerns and will alleviate the destabilising influence that communities participating in the scheme have ascribed to their members accessing residual allowances.

Secondly, the Government has approved funding for a modest expansion of the Community Development Employment Projects scheme over the next three years. While planned expansion falls short of the evident community demand for participation, this demand needs to be balanced against the need for consolidation of the program's administration.

The recent administrative changes to the scheme which are designed to improve the effectiveness of administration at program and project level, were outlined to the Standing Committee at its hearings. It should be noted that these measures are being implemented during a period when the

Commonwealth's involvement in Aboriginal affairs is being significantly restructured. The last eighteen months - the period of the Auditor-General's review and the Standing Committee's deliberations - have seen the establishment of the Aboriginal and Torres Strait Islander Commission including the election of representatives at national and regional levels. The Community Development Employment Projects scheme as with other of the Commission's programs has had to develop procedures for accommodating these new representative and planning structures.

In supporting the recommendations of the Standing Committee, the Government is committed to achieving improvements in the operations of the Community Development Employment Projects scheme to ensure that the scheme continues to contribute to the Government's goals of securing employment equity and community-directed development for Aboriginals and Torres Strait Islanders.

**Supplementary Statement
by the Minister for Aboriginal Affairs
to the
House of Representatives Standing Committee on Aboriginal
Affairs Review of Auditor-General's Report No. 12 on
Community Development Employment Projects.**

Attached is the Government's response to the individual recommendations of the House of Representatives Standing Committee on Aboriginal Affairs Review of the Auditor-General's Report No. 12 1991 on Community Development Employment Projects. The Standing Committee's recommendations were unnumbered and are presented in the order in which they were printed in the Standing Committee's report. Related recommendations have been grouped.

RECOMMENDATION

efforts continue to improve the take-up of Family Allowance Supplements by eligible CDEP participants and that both ATSIC and DSS continue to monitor these take up rates.

RESPONSE

The Government supports this recommendation.

The Standing Committee noted that the recent provision of new participant schedules, increased awareness of DSS staff concerning eligibility of families participating in CDEP, and routine activities such as Remote Visiting Teams and survey monitoring have contributed to a current FAS take up rate of approximately 70%. Improving the take-up of FAS will continue to be a major focus of income support liaison with CDEP communities.

RECOMMENDATION

- . improved procedures continue to be implemented by ATSIK and DSS to ensure the correct allocation of funds to CDEP communities.
- . an adequate monitoring of the success of these enhanced arrangements be maintained and that the results be fed into the 1992-93 CDEP review process.

RESPONSE

The Government supports these recommendations.

The Standing Committee noted that considerable progress in this area was reported by both ATSIK and DSS since the Auditor-General's Report. Communities are required to provide ATSIK with lists of participants on newly designed, streamlined schedules, either quarterly or monthly where resources allow. These schedules must be certified by an authorised person in the recipient organisation. Non-compliance can lead to withholding of funding.

DSS is now maintaining direct contact with CDEP communities to ensure that entitlements paid within such communities are correct. ATSIK and DSS will work together in the preparation of CDEP schedules for new projects.

ATSIK and DSS have agreed to review the effectiveness of their respective ongoing roles and procedures.

RECOMMENDATION

the research project into the impact of applying appropriate industrial awards to CDEP communities proceed as quickly as possible. It will be important to reach a timely conclusion to this exercise which, again, should present some outcomes for the 1992-93 review.

RESPONSE

The Government supports this recommendation.

Tender specifications for a research project on the application of industrial awards to CDEP projects have been finalised and ATSIIC is assessing responses from shortlisted tenderers. It is expected that the research project will commence shortly after these responses have been considered, and would be completed in time to be of benefit to the 1992-93 review of the AEDP.

RECOMMENDATION

a high priority be given to the training and support needs of CDEP administrators, through the combined efforts of ATSIC and DEET.

RESPONSE

The Government supports this recommendation.

DEET and ATSIC acknowledge the need for effective training and support for Aboriginal and Torres Strait Islander administrators and other participants in CDEP projects. Uncertainty between ATSIC and DEET about the location of responsibility for training support in CDEP (ie through ATSIC's Aboriginal Organisation Training or DEET's Training for Aboriginals Program) has led to a degree of underservicing in this area. With the transfer of ATSIC's AOT program responsibilities to DEET, on 1 July 1991, this problem should be overcome as DEET now has exclusive responsibility for training support in CDEP projects. DEET will ensure that training funding will develop the capacities of administrators from within the community, and that continuing performance of administrative functions is not reliant on training funds.

RECOMMENDATION

as foreshadowed by DEET, an evaluation of the effectiveness of current training programs in support of administrative competencies for CDEP participants be a significant element of the review of AEDP in 1992-93.

RESPONSE

The Government supports this recommendation.

The evaluation of CDEP to be conducted within the AEDP Review in 1992-93 will consider the effectiveness of management training in CDEP projects.

RECOMMENDATION

senior management of ATSIC and DEET take a significant role in the effective oversighting of improved financial management and accountability for CDEP.

RESPONSE

The Government supports this recommendation.

Senior management's oversighting role will be continued through the operations of the AEDP Task Force.

RECOMMENDATION

support and development to increase the effective administration of CDEP be a key priority for review in 1992-93.

RESPONSE

The Government supports this recommendation.

As outlined in comments on the above recommendations, the 1992-93 review of AEDP will incorporate a significant focus on the evaluation of CDEP, and a number of significant steps have been taken in preparation for this review.