



Proposed reforms to CDEP

Reforms to CDEP - Key features at a glance

Remote Australia

- The reformed CDEP program would be restructured to:
 - build individual skills and capacity to take up work where opportunities arise
 - provide on-the-job work experience
 - provide voluntary mobility assistance
 - build capacity of communities including through supporting priority projects
 - build capacity of local Indigenous organisations to deliver a range of services, including Universal Employment Services (UES) and Indigenous Employment Program (IEP), and
 - make sure community members undertaking similar activities have the same income and participation requirements.
- CDEP positions that have supported the delivery of government services would be converted to properly paid jobs.
- New participants in reformed CDEP would access the program while on relevant income support payments rather than be paid CDEP wages.
- Existing CDEP participants would be eligible to receive CDEP wages until 31 March 2010 to allow for an adjustment period, subject to allowable breaks of two weeks.
- Funding agreements for reformed CDEP would be offered for a three year period.

Non-remote Australia

- CDEP would no longer operate in non-remote regions. Instead, services would be provided by the UES and IEP.
- CDEP providers are encouraged to consider submitting a tender to become providers of Universal Employment Services.
- A new Community Support program would be introduced to support Indigenous Australians to link to a range of services. This would be separate from reformed CDEP.



Proposed reforms to CDEP

A restructure of the CDEP program to focus on:

- **Work readiness** skills including foundation and literacy/numeracy training, basic work and vocational skills, on-the-job work experience and job placements.
- **Community development** to support priority projects, active engagement of local people and strengthening the capacity of communities and local organisations.

The CDEP Work Readiness Service

The Work Readiness Service would provide a personal development pathway. People would be supported through a case management and mentoring approach, including for families and young people. There would also be mobility support as required:

- mentoring would be provided to focus on life skills, aspirations and role models, completion of education, training and work experience and retention in work placements, and
- strategies to support access to training, work experience and jobs outside home communities would include funding for transport and accommodation costs, support with living away from home to avoid social dislocation and connecting back to home communities and families (for example paid visits home).

A range of training that people need to enter the workforce would be available, from foundation to basic work and vocational skills. Training would be matched to individual needs and aspirations, employment opportunities and skills shortages identified in the community or region.

CDEP providers would work with local and other employers to broker work experience to help participants develop confidence and self-esteem, and regular work attendance patterns and skills. Employers would be encouraged to provide real working conditions that would prepare the participant to take up future work opportunities.

The CDEP Community Development Stream

The Community Development stream would include:

- community development projects with a focus on priority local needs and enhancing community cohesion, for example, improving local amenities, market gardens and land management activities – excluding functions that should either be supported by other programs or services, including by State or local governments, or which would displace jobs and business opportunities
- help for community members to understand changes in employment servicing arrangements and participation requirements and support for them to engage in the new system and link up with other services, and
- support for organisations currently delivering CDEP to review and strengthen their governance, develop organisational plans and build expertise and capacity to compete for other services, including UES.

Addressing Disincentives

The proposed CDEP model would address disincentives to seeking jobs or training outside CDEP by removing CDEP wages. This would ensure that the same income support and participation arrangements apply to all job seekers and that CDEP is not seen as a long term destination or the only future for many Indigenous people, including young people, in remote communities:

- new participants would access the program and income support from 1 July 2009, and
- existing CDEP participants would be eligible to receive CDEP wages until 31 March 2010.

While CDEP provides services to a significant number of people in remote communities, more people are on income support and subject to the universal participation requirements than are on CDEP. This means that a large proportion of remote community members would not be affected by changes to CDEP, and highlights the importance of introducing uniform participation

arrangements to ensure that people who live side by side are not treated in different ways. For example, in the Northern Territory some 10,500 Indigenous people are currently in receipt of income support payments that are activity tested, while around 5,250 are on CDEP.

Grandfathering

Eligibility for CDEP wages would be grandfathered for existing participants until 31 March 2010 in remote areas, subject to allowable breaks of two weeks, to allow for an adjustment period. Grandfathered participants would then be moved to income support over a three month period after that date, based on community by a community roll out plan.

Jobs Package

The reforms would be supported by a Jobs Package to allow for conversions of CDEP positions involved in government service delivery to properly paid jobs (both Commonwealth and State). This would deliver tangible benefits with growth in jobs with mainstream employment benefits such as salaries, superannuation, training and professional development, in areas with limited opportunities.

Funding period

To address concerns about the uncertainty faced by providers arising from the current annual funding process, funding agreements would be offered for a three year period.

CDEP in established economies (non-remote locations)

Under the proposed reform model, CDEP would cease to be available in non-remote locations from 1 July 2009, with the new UES to be the primary provider of employment services for Indigenous job seekers in urban and regional areas.

A new Community Support program is proposed to be introduced in urban and regional locations with significant Indigenous populations to increase social inclusion and community cohesion. The program would provide a vital linking function, supporting Indigenous community members to access information and services. This would be a separate program from CDEP.

Timing

The reforms would be implemented on 1 July 2009. There would be intensive transition support for current CDEP providers and participants – starting from early 2009.