Increasing Indigenous Economic Opportunity
Jobs Australia submission

Jobs Australia welcomes the opportunity to respond to the discussion paper, Increasing Indigenous Economic Opportunity. Jobs Australia is the peak body for over 260 nonprofit providers of employment and related services. Our members deliver employment-related services to the most disadvantaged people in communities around Australia. They include indigenous organisations that are current or former Community Development Employment Projects (CDEPs), as well as organisations, both indigenous and non-indigenous, that deliver the STEP ERS contract.

We are also a Registered Training Organisation (RTO) operating in all states and territories. As of January 2008, Jobs Australia, in a jointly-funded agreement with the Department of Education, Employment and Training (DEEWR), established the Indigenous Training Network (ITN) to operate initially over 18 months, from January 2008 until June 2009.

The ITN is designed to help indigenous organisations develop sufficient capacity to enable them to provide nationally accredited qualifications in their own right under partnering arrangements with Jobs Australia or other Indigenous owned and operated RTOs. To date 57 organisations have signed up to the ITN.

The immediate context for the discussion paper

1 Jobs Australia indigenous member organisations:
Tiwi Islands Training & Employment Board
Alice Springs Employment Training Services (Tangengtyere Aboriginal Corporation)
Kullari Regional CDEP
Western Sydney Community Aboriginal Corporation
East Kimberley Job Pathways (Wunan Aboriginal Corporation)
Coolgaree Aboriginal Corporation for CDEP
Tangglun Piltengi Yunit Aboriginal Corporation
Anangu Jobs (now Wana Ungkunytja Pty Ltd)
Bungalal
Nirrumbuk
Illawarra
Cairns CDEP
PEEDAC

2 44 Jobs Australia members are currently listed on the national STEP ERS panel

This consultation phase will explore ways that the Community Development Employment Projects (CDEP) and the Government’s proposed new model for employment services generally (referred to in the discussion paper as the new universal employment services model) can be reformed so that they are better integrated to improve the pathways for indigenous people to move into employment.

The direct involvement of three senior government ministers, Ministers Gillard, Macklin and O’Connor, in the release of the discussion paper underlines the importance the Rudd government places on this issue. It forms part of the Government’s overarching commitment to closing the gap between indigenous and non-indigenous Australian, and includes a target of halving the gap in employment outcomes within ten years.

This is the immediate context for this discussion paper. However, Jobs Australia and its members are acutely conscious that the questions posed in the discussion paper also need to be considered in relation to a pre-existing environment of major change. These are the changes to the provision of employment services for indigenous people that have been underway since early 2005. These have seen the large-scale closure of CDEPs, the introduction of STEP ERS and some of the negative consequences of the Northern Territory Intervention.

**The broader context: the seismic changes of 2005-2007**

This process of change began with the transfer of CDEP to the Department of Employment and Workplace Relations (DEWR) in July 2004. This followed the abolition of the Aboriginal and Torres Straight Islander Service (ATSIS) in April 2004 which had had responsibility for the program at that time. Soon after this portfolio shift the Department released a proposal to overhaul CDEP which was outlined in the discussion paper, *Building on Success*, in February 2005.

The impact of that discussion paper and of subsequent changes made to CDEP has shaped the perspectives and circumstances of stakeholders over the past three years. They have caused the closure of some indigenous organisations and have forced enormous levels of restructuring and reorganisation on others. Indigenous jobseekers have had to adjust to new ways of receiving services, new rules and regulations and new requirements and changes to benefit entitlements.

The changes thrust upon indigenous organisations, communities and individuals as part of the Howard Government’s 2007 Northern Territory Emergency Response (NTER), also referred to as the Intervention, have introduced further major changes to indigenous service delivery in the Territory. Meanwhile, ministerial comment on matters such as the extension of the quarantining of benefit payments to other parts of Australia has meant that the climate of uncertainty created by the Intervention has not been limited to that region alone but has permeated all indigenous communities across Australia.

It would be difficult to overstate the scale and speed of the policy changes that have occurred.
Consequently, the way that this has affected CDEP participants, indigenous jobseekers and their organisations will impact critically on the way that they respond to the likelihood of yet more change. Not only have indigenous jobseekers and their organisations been subjected to extraordinarily high levels of change relative to changes in other employment service programs, that change has generally not entailed genuine consultation. Too often it has not been conducted in an environment in which all parties have had adequate and equal access to crucial information, nor have they had the time necessary to understand the proposed changes. Similarly, genuine concerns about the negative impacts of some elements of the change have not always been listened to or addressed.

Without a true appreciation of this recent history there is a significant risk that the Government’s good intentions in addressing indigenous disadvantage will be met with a hardening cynicism and will not achieve their goals.

A pattern of poorly managed high velocity change

*Building on Success* argued that CDEP needed reform, but it also promised that any reforms undertaken would be gradual and would result from genuine consultation with indigenous people. Jobs Australia responded to the invitation to provide feedback outlining a number of areas where change could be made without losing many of the advantages and successes that CDEP had achieved over nearly 30 years. We acknowledged the limitations of CDEP but we also highlighted its flexibility in responding to the enormous diversity of skill levels within indigenous communities and of labour market conditions in rural and remote areas where significant numbers of indigenous jobseekers live.

*Building on Success* was followed in quick succession by several key documents and announcements. Each introduced yet another layer of significant change about the conditions under which indigenous jobseekers receive support and the way that employment organisations would be funded to deliver this. As the release dates for these documents show, that change has occurred with marked frequency:

- *Building on Success*, (February, 2005)
- *Building on Success CDEP - Future Directions* (May, 2005);
- the *CDEP Guidelines 2005–06*;
- First STEP ERS tender
- *Indigenous Potential meets Economic Opportunity* (November, 2006);
- *Questions and Answers for the outcome of the Indigenous Potential meets Economic Opportunity Consultation* (February, 2007);
- the Request for Tender of *Structured Training and Employment Projects Employment and Related Services (STEP ERS) Panel*, (March, 2007);
- the Northern Territory Emergency Response (21 June 2007) and the relevant announcement about quarantining of welfare payments;
- the closure of many NT CDEPs soon after the Intervention commenced;
- the announcement by Minister Macklin late last year that NT CDEPs would be reinstated.

Some of the key outcomes of these changes have been:
- closure of about 40 CDEPs in urban and larger regional centres in Australia;
- the closure of all Indigenous Employment Centres (IECs);
- the introduction of the STEP ERS program to replace CDEPs in those areas;
- the introduction of time limiting of one year for all new CDEP participants in some areas;
- closure of many CDEPs in the Northern Territory and the introduction of quarantining of welfare benefits.

Indigenous organisations that were delivering CDEPs that were to be closed were promised the opportunity to deliver the new program, STEP ERS, on the understanding that this would, at the very least, offer them a means of continuing to deliver employment services to their job seekers. In reality, the structure of the funding for STEP ERS means that it is not possible for an organisation to rely solely on it to provide the underpinning infrastructure and cash flow necessary to remain in operation.

Consequently, a number of closing CDEPs found themselves either unable to continue to operate at all or were forced to undergo major restructuring. This entailed:
- large-scale staff redundancies, resulting in a loss of skilled indigenous staff in an employment sector that is already chronically short of adequately trained people;
- significant redistribution of CDEP participants to other service providers, mainly to the Job Network which sometimes resulted in the loss to local indigenous communities of vital services such as CDEP subsidised child care workers;
- closure of enterprises run by the CDEP which had not yet reached independent viability but had played an important training and employment role for CDEP participants;
- the forced and hurried sale of assets.

CDEP management struggled within the extremely short timeframe to restructure their activities and organise for their CDEP participants to transfer to other programs and organisations. Many of these were small indigenous organisations with limited resources (e.g. lack of human resources services to understand and fulfil the redundancy and leave entitlements of CDEP participants).

In addition, the boards of many CDEPs, whose composition often includes community members with only limited understanding of the requirements of board governance, were ill-equipped to consider the implications and challenges of the changed requirements within the time available. Nor were they given the support needed to develop strategies for change.

At least two of the consequences that have flowed from these changes sit awkwardly with government policy on both sides of politics:
- firstly, the transfer of the wage-based CDEP participants to Job Network has moved a considerable number of indigenous citizens from the category of workers receiving wages to that of welfare recipients dependant on benefits; and
- secondly, the replacement of CDEP by the STEP ERS program has meant a significant transfer of indigenous control of employment service delivery for indigenous people to non-indigenous organisations since the STEP ERS contracts involving the greatest numbers of clients are held by non-indigenous organisations.

3 Typically, these enterprises were plant nurseries, child care facilities and various types of metal fabrication workshops.
A further consequence has been the sustained and extremely high over-representation of indigenous job seekers since these changes in the statistics of those job seekers who have received an 8-week no payment penalty. This indicates to us that the transition may have gone very poorly for many former CDEP participants. It raises significant questions about the appropriateness of the way some of the mutual obligation requirements are being imposed on this group of highly disadvantaged job seekers.

**Northern Territory Intervention**

The psychological impact of the NTER employment-related changes on perceptions of government policy regarding indigenous employment services and welfare provision has been enormous. The events and decisions flowing from the NTER cannot be overlooked in a consideration of the delivery of employment services for indigenous people. This does not only apply to service provision in the Northern Territory, but also throughout the rest of Australia.

Several points need to be considered:

- Criticisms of CDEP as *sit down money* lump the good and bad together. It unfairly dams those CDEPs that were doing valuable work in indigenous communities, often subsidising jobs that in other Australian communities are funded by one of the three levels of government.

- In some small communities the CDEP provided the only available administrative structure. Its closure has left these communities severely depleted of services in a way that is analogous to the impact of the closure of banks and the loss of a local GP on some small Australian towns in the 1990s.

- The CDEP structure has the flexibility to be tailored to a range of labour market conditions and participant needs. These include communities with extremely limited employment opportunities and those whose indigenous participants lack sufficient English language and literacy and numeracy skills to keep a job.

A further flexibility is its ability to accommodate itself to some of the cultural demands on indigenous people such as the need to take time off to attend to ceremonial business. Ceremonial business often includes funerals, common in communities where life expectancy rates are low.

- There is a widespread belief that Minister Brough decided to close the Northern Territory CDEPs and transfer these people to welfare payments only when he became aware that it was impossible to introduce the quarantining of CDEP payments because these are wages and not benefits. If this was the precipitating reason for the decision it is a poor and arbitrary basis for such a significant restructuring of a program addressing the particular employment circumstances faced by many indigenous communities which has evolved over 3 decades and, notwithstanding some limitations, has been an important vehicle for employment and training provision in many communities.

- The closures of the CDEPs and the decision to quarantine welfare payments to reduce spending on grog and gambling have resulted in widespread,
indiscriminate branding of whole communities. It is a very blunt, one-size-fits-all policy response to addressing problems. It has served to further entrench generalised and negative attitudes towards indigenous people within the larger Australian community. It will work against measures to encourage employers and others to make the extra effort to support indigenous people in the process of becoming work ready and participating members of the broader society and economy. Yet again it raises questions about human rights in relation to the treatment of indigenous Australians.

- Arguments put forward about the necessity for the migration of indigenous people living in small communities to larger centres are based on the idea that these people will be capable of taking up available jobs.

This ignores data which shows that many indigenous people in remote communities lack the basic skills for entry level jobs even if these were to be available. A more likely outcome of measures to pressure this sort of migration is that it will result in indigenous people crowding into the slum areas of larger centres, into town camps and to camping out in parks. Such an outcome merely shifts the problem’s geographic location. It does not address basic issues of essential service provision, community safety and stability, school attendance and alcohol abuse.

Observations arising from the summary of the current context for indigenous policy development

This existing context is a compelling challenge to the questions and issues raised in the discussion paper. Given the extraordinarily high levels of change that indigenous job seekers, communities and organisations have been subjected to since 2005, we do not consider that the issues raised will be successfully addressed by any further major changes to employment service provision.

In our view the challenge now is not for any major new measures but for a more thorough, timely and effective implementation of those measures and programs currently in place that have demonstrated their capacity to respond well to the needs of indigenous jobseekers.

These include:
- the retention of CDEP in those communities where it currently exists with some of the modifications that have been introduced including better enforcement of no show no pay and one-year time limiting in areas where there are reasonable pathways beyond CDEP;
- continuation of tailored STEP ERS projects with their combination of pre-employment, job placement and mentoring elements;
- the continued roll out of training to address skill needs and labour market shortages for indigenous people through a range of initiatives such as the Productivity Places Program (PPP) and other vocational education and training programs;
- more and better resourcing of programs which address basic education and literacy and numeracy needs of indigenous people, many of whom have not completed basic education;
- capacity building support for indigenous organisations in the area of VET training capacity through initiatives such as our ITN;
• recognition in program resourcing and financing of the significant differentials in costs of delivery in regional and remote areas and of the need for realistic and flexible timeframes for service delivery and achievement of outcomes
• continued and better resourcing of indigenous employment mentoring programs such as those Jobs Australia delivered on a national basis with financial support from the former DEST;
• initiatives that draw on research into the leadership and governance training needs of indigenous communities being undertaken by Janet Hunt at CAEPR. We believe that leadership and governance training and support are areas which lend themselves particularly to the funding to be made available under the new universal model’s Innovation Fund.

The existing indigenous employment programs and their job seeker requirements have been modified since responsibility for these moved to the Department of Employment and Workplace Relations (DEWR). They now contain sufficient flexibility to address outstanding issues of concern, particularly those relating to mutual obligation and workforce participation.

What is needed is for government is to ensure that the enabling conditions required to make the current range of programs effective are available to indigenous communities. One example of this would be for COAG to set and achieve in a timely manner substantial targets to replace those jobs currently carried out in indigenous communities using subsidised CDEP wages with real jobs, and to make sure these are available to the CDEP participants within those communities.

Indigenous communities need a period of consolidation in which they can see the existing government measures and promises implemented in a consistent and rational manner. Crucial to this are measures that ensure community safety and stability, address poor school attendance, police and reduce alcohol abuse and provide essential service provision in line with general Australian community standards.

**Issues and questions raised in the discussion paper: Reform Principles and difficult questions (pp 4, 5)**

**Individuals**

**Developing skills, providing incentives and opportunities**

Basic levels of literacy and numeracy, and English language competence are poor in many indigenous communities. Programs to address these barriers such as Language, Literacy and Numeracy Program (LLNP) already exist. However, the pre-conditions needed to support young indigenous people taking part in and completing in such programs need to be improved. Part of the answer to this is through measures to improve attendance and create a greater appreciation of the advantages of learning foundation skills (it could be argued that in some cases, in some communities, hunting, fishing etc are foundation skills, this is about rethinking and reframing arguments about what we believe education and work are). A valuable first step the Government can take in this area is to direct investment and effort into establishing the basic community conditions that create a school or learning environment that is well run, well resourced and where attendance is enforced (punitive measures to enforce attendance have no impact due to the nature...
and structure of Indigenous families. Evidence for this can be found in the Halls Creek and Kalumburu models where quarantining of welfare and CDEP payments saw no increase in school attendance)and rewarded. The little children are sacred report suggests the development of community based schools run as a collaboration between education department and community elders where school times, attendance and curriculum are flexible and take account of local community needs. There are models of this program currently working effectively in Victoria (Gambina/YortaYorta Barmah Forest), WA (Marr Mooditj, Noonkanbah, Lombadina) and the NT (Yirakala)

Traineeships and apprenticeship are already available for indigenous people. Programs such as STEP ERS provide the framework within which individuals can be supported to complete this training and have good prospects of finding work. Rather than reinvent such programs we urge the Government through DEEWR to consider ways that organisations that are achieving good and sustained outcomes with STEP ERS can share that knowledge or work in partnership with others so that it is delivered to more people.

STEP ERS is felt by many providers to offer a particularly good model of job seeker support from pre-employment through job placement to mentoring in the post placement phase. STEP ERS should be continued and evaluated with good practice examples circulated to all providers.

Promoting a mobile workforce

Given clan divisions, the strength of family ties for many indigenous people, and the lack of work readiness of many people in small communities we urge caution about introducing measures that pressure indigenous people to become part of a more mobile workforce. These are very likely to fail. We believe this thinking reflects a poor appreciation of the level of barriers faced by many of these jobseekers or the cultural context in which they live.

A more realistic understanding of the labour market and of the work readiness conditions within these communities is implicit in Minister O’Connor’s discussion paper, The Future of Employment Services in Australia:

The greater flexibility in the new model will better support skills acquisition, mentoring, and any locally developed innovative solutions to employment. In remote areas there will be placement and outcome payments for a broader range of educational and foundation skills outcomes including helping Indigenous job seekers to return to school and gain greater literacy and numeracy skills. Services operating in remote communities will also be able to explore alternative community enterprises . . .

This acknowledges the multiplicity and complexity of barriers within these environments.

Equity for payment recipients

The discussion paper raises issues of the relative equity of CDEP vis-a-vis benefit payments. Given the reduced number of CDEPs and the conditions in the areas where they operate this concern is largely pedantic. Good management of the CDEP activities and projects by the Department, including proper and reasonable
enforcement of the requirements on participants, provides sufficient mechanisms to ensure that CDEPs function effectively in remote communities to provide local people with a form of useful employment that best approximates real world employment.

The denigration of CDEP has meant that people no longer see the degree to which CDEP provides an innovative, flexible model for successfully addressing the challenge of providing employment opportunities in areas without a labour market.

In addition, the continuing phased removal of Remote Area Exemptions (RAEs) is another measure that gives providers and community leaders the leverage to require indigenous job seekers to fulfil their mutual obligation requirements. However, given the labour market conditions in many remote communities the tests of flexibility and reasonableness need to be included in the implementation of RAEs.

**Business and local economies (p6)**

**Essential services and infrastructure**

The establishment of the Government’s new Infrastructure Fund recognises current underspending on the infrastructure needed to support the Australian business sector. Similarly, the Government has a key role in supporting indigenous economic development by investing in its essential infrastructure.

The discussion paper lists some of these barriers to business growth: poor roads, public transport, information technology and housing. Adequate investment and sustained and consistent delivery of the services that provide advice and support for economic development are needed to create the environment in which businesses can start up and become successful.

Historically, indigenous communities and organisations have suffered from stop-start policy approaches, short term funding cycles and government promises that have not been matched by good follow through. The Government’s Social Inclusion Agenda, with it focus on place-based measures and better integration of existing services, provides the framework and impetus for governments at all levels to improve service delivery and to match promises with actions.

Again, we would argue that what is needed is not more programs or initiatives, but the will to address the issue of essential service delivery and to ensure that existing services and regulations are applied consistently, fairly and reasonably in order to provide the stable, predictable environment in which indigenous economies can plan for their future with some certainty.

**Supporting business to take on indigenous staff**

The introduction of STEP ERS, the strong employer and skills training focus within the new universal employment services model and enhanced provision for skills training, including training for foundation skills provide structures to support business taking on more indigenous staff. Some successes have already been achieved, such as the increasing numbers of indigenous people taking up work in the mining sector. Improving and monitoring the integration of these linked mechanisms
and target setting are useful ways to build on these successes and base further policy adjustments on hard evidence.

**Subsidised jobs**

The responsibility for ensuring that CDEP participants do not continue to undertake real economy jobs at subsidised wages rests firmly with the three levels of government since many of these are jobs that are otherwise undertaken as part of the general provision of government services to all Australian communities and taxpayers. At the very least clear statements from governments about what they can afford to fund and when are needed.

Other forms of wage subsidy have existed within employment service provision. These will continue to provide a useful mechanism for helping job seekers make a start in employment. Provided these fulfil the necessary requirements and are clearly limited in duration they are a valuable tool for improving the workforce participation of people with barriers to employment.

**Communities (p6)**

**Essential service provision**

As the paper observes indigenous communities and CDEPs have been crucial in delivering essential local services. The true economic value of this contribution should be measured and made widely available. A reliable source of evidence-based information about this issue can help to dispel some of the unfounded criticisms of the role and value of CDEPs. This is particularly true of education and training where CDEP was used to support Indigenous teacher’s aides, Indigenous liaison staff and trainers, these roles have disappeared from Indigenous communities and schools since the abolition of CDEP (highlighted in the AEU’s “Education is the Key” policy document). If the government is to enforce school attendance, filling these positions is essential. The LGANT estimates that 600 positions have been lost in NT schools since the closure of CDEP.

It can also be a useful tool for helping to identify where the true responsibility for some of this service provision lies and can contribute to processes that would see this contribution properly funded. In Bawingana (NT) 71 government positions (both State and Commonwealth) were subsidised by CDEP. These 71 workers are now all on welfare and the services are not being delivered. Fogarty B. & Paterson M., in their submission to the Senate inquiry into the NT intervention, *Constructive Engagement: Impacts, Limitations and Possibilities during a National Emergency Intervention*, suggest that the wage costs alone to replace these workers will be $1.4 million, without on-costs.

**Minimising disruption to communities**

We urge the Government to focus on high quality, consistent policy implementation at this time. This needs to be accompanied by a continuation of the community consultation that marked Minister Macklin’s uptake of her portfolio in late 2007. Similarly, it is to be hope that DEEWR moves to a more consultative relationship with those delivering services to indigenous people, one that recognises and respects their first hand experience of local conditions.
Partnerships

Developing and sustaining partnerships between government, business and communities

The Government’s Social Inclusion Agenda should take as one of its key challenges the task of integrating services to indigenous communities more effectively. Identifying deliverable targets can help to ensure good performance.

We have already discussed issues relating to the need for all three levels of government to identify, acknowledge and take responsibility for essential service delivery to indigenous communities that fall within their jurisdiction. COAG structures should be used to forward these processes as a matter of urgency. These too can be aided by setting and monitoring achievable targets. As with some other funding arrangements the federal government can tie the release of some funds to achieving some key targets for indigenous communities.

The period of intense change outlined at the outset of this submission has caused significant disruption not only to individuals but also to a range of relationships that had existed between indigenous organisations and local businesses and services. When closing CDEPs were summarily forced to close down embryonic enterprises this disrupted relationships and caused a loss of skill and knowledge that these organisations and their communities will find hard to replace. Rebuilding these networks and connections will be slow and is likely to be hampered by uncertainty about when the next big change will arrive.

Supporting local communities to plan and set priorities

Successful partnerships and networking relationships require some degree of certainty and stability. It is essential that policy for indigenous people matures to a point where all involved have confidence that government has a good understanding of the circumstances in these communities and is committed to providing realistic levels of support to address needs. Indigenous individuals and communities will be able to live with adjustments to policy if the overall policy framework is stable, clear and broadly well-framed.

Partnerships will not arise in an environment in which constant, revolutionary change is the norm. The degree of change that has occurred since 2005, the language attendant on the Intervention with its talk of a war footing and the involvement of the army in it have all contributed to an environment of uncertainty and instability about just what and how services for indigenous people will be delivered. Individuals, organisations and businesses will not plan or commit time and resources in these circumstances,
Possible focus for different areas (p8)

Responding to different types of economies

The table on p 8 succinctly sums up the enormous range of local economies within which indigenous people live and highlights the challenges to policy development. We think that the potential responses provide a reasonable way forward and can be meaningfully linked to some changes already introduced. For example, the note: Those on CDEP to transition to income support or jobs or training over the medium term alongside Emerging economies has already been addressed by the introduction of the one-year time limiting provision for CDEP participants in some areas, provided that this only occurs when it can be demonstrated that realistic pathways for these participants beyond CDEP do exist.

Integrating CDEP and the new universal employment services model

The universal model has moved the focus of service delivery towards addressing the needs of the most disadvantaged jobseekers as quickly as possible with the resources needed to do this. This is a very welcome move. Its underlying principle has direct relevance for indigenous jobseekers.

We applaud moves that will integrate delivery of these services so that those on CDEP, in training, on a STEP ERS project or registered with one or other of the current employment service contracts can receive as many relevant services as possible rapidly and in ways that better integrate their delivery.

We think that it is healthy to maintain a strong emphasis on work readiness and the transition into employment provided that these goals can be modified for those communities where there is no local economy and for those indigenous job seekers with complex barriers for whom real world employment is not a realistic short term goal. At the level of individual program design our intelligence tells us that the three-pronged approach of the STEP ERS provides a versatile, flexible method of tailoring services to individual need while maintaining a close relationship with industry and skill needs.

Conclusion

Indigenous people have often spoken about the way that they have been subject to continuing levels of policy experimentation. This charge has gained added validity over recent years. It is particularly pertinent in the context of the changes introduced during the Intervention. These communities are now overdue for a period of consolidation and stability in which they receive services in a consistent, fair and reasonable manner. Short funding timeframes and onerous funding application processes that must be repeated each year also limit their ability to plan effectively.

Regrettably, there is an idea in many circles that the problems faced by indigenous communities are without solution. We cannot allow this idea to prevail. It is rationally and morally insupportable. Too often it is used to mask other more homely failures. The work of Peter Pholeros over 25 years into improving the standard of indigenous housing in Central Australia is a powerful case in point.
Overwhelmingly Pholeros reports that the causes for sub-standard indigenous housing are directly related to poor initial construction and subsequent poor or non-existent maintenance. They are not due to the neglect or vandalism of indigenous residents as is often suggested or implied.

The continued exploitation of subsidised CDEP wages to fulfil real world jobs that should be provided by government is another example of a long term pattern of under-investment in the essential services communities need if they are to function in healthy ways.

Clearly, this kind of underinvestment is undesirable and unfair. Indigenous people and their communities and organisations are entitled to levels of investment that will ensure their access to services comparable to those provided for other Australians.

We strongly agree with the proposition that finding pathways to employment must be a central plank in the strategy to address indigenous inequality and disadvantage. We also acknowledge that current labour market conditions in many (but not all) localities present significant opportunities for indigenous people who are not in employment.

The approach the government takes to capitalise on those opportunities will require significant and patient investment in human capital development and in other services such as health and housing. Importantly also, it will require respectful and effective engagement between government officials and providers and indigenous people and communities, more emphasis on people centred and community development approaches and more flexible approaches to governance and management of programs than those which presently operate.

On behalf of Jobs Australia members I thank you for the opportunity to contribute our views to the discussion paper, *Increasing Indigenous Economic Opportunity*. Should you wish to discuss anything raised in this submission, please contact me.

Yours sincerely

David Thompson AM
CEO
18 June 2008