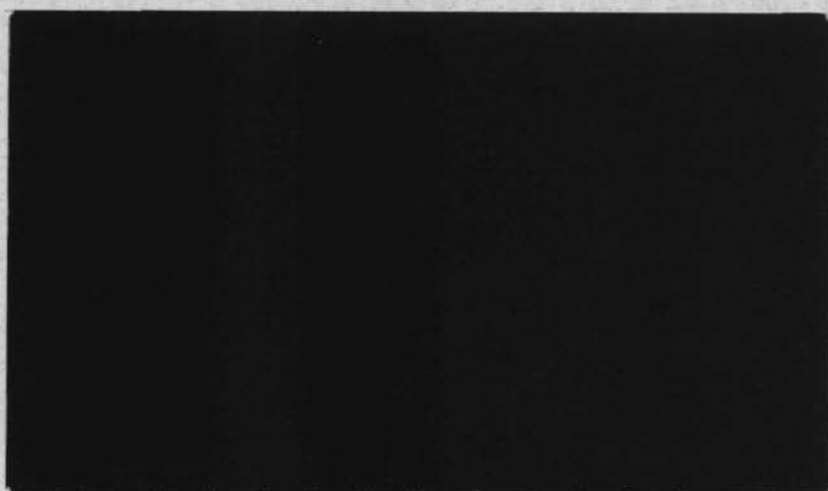




Centre for
Aboriginal
Economic
Policy
Research

Discussion Paper



**The rise and rise of the CDEP scheme:
an Aboriginal 'workfare' program in
times of persistent unemployment**

W. Sanders

No.54/1993

ISSN 1036-1774
ISBN 0 7315 1728 8

SERIES NOTE

The Centre for Aboriginal Economic Policy Research (CAEPR) was established in March 1990 under an agreement between the Australian National University and the Commonwealth of Australia (Aboriginal and Torres Strait Islander Commission). CAEPR operates as an independent research unit within the University's Faculty of Arts. CAEPR's principal objectives are to undertake research to:

- investigate the stimulation of Aboriginal and Torres Strait Islander economic development and issues relating to Aboriginal and Torres Strait Islander employment and unemployment;
- identify and analyse the factors affecting Aboriginal and Torres Strait Islander participation in the labour force; and
- assist in the development of government strategies aimed at raising the level of Aboriginal and Torres Strait Islander participation in the labour market.

The Director of the Centre is responsible to the Vice-Chancellor of the Australian National University and receives assistance in formulating the Centre's research agenda from an Advisory Committee consisting of five senior academics nominated by the Vice-Chancellor and four representatives nominated by the Aboriginal and Torres Strait Islander Commission, the Department of Employment, Education and Training and the Department of Social Security.

CAEPR DISCUSSION PAPERS are intended as a forum for the dissemination of refereed papers on research that falls within the CAEPR ambit. These papers are produced for discussion and comment within the research community and Aboriginal affairs policy arena. Many are subsequently published in academic journals. Copies of discussion papers can be purchased from Reply Paid 440, ANUTECH Pty Ltd, Canberra ACT 0200. Ph (06) 249 2479 Fax (06) 257 5088.

As with all CAEPR publications, the views expressed in this DISCUSSION PAPER are those of the author(s) and do not reflect an official CAEPR position.

Jon Altman
Director, CAEPR
Australian National University

ABSTRACT

This paper updates an earlier article explaining the development of the Community Development Employment Projects (CDEP) scheme over the years since its inception in the mid 1970s. It does so under three headings: governmental and bureaucratic politics; Aboriginal community politics; and persistent unemployment. The paper recognises that while the CDEP scheme has expanded rapidly in recent years, reviews of it have frequently identified deep-seated unresolved issues. The paper attempts to explain this apparent paradox by identifying different types of policy analysis focusing on internal program issues and external forces and constituencies. It is the latter, not the former, which are seen as having been important in determining the expansion of the CDEP scheme.

Acknowledgments

An earlier version of this paper was presented as a seminar at the Australian National University in September 1993. Participants at that seminar provided useful comments. Rolf Gerritsen and Bill Arthur read a version of the paper in November 1993 and provided useful suggestions for re-working. Krystyna Szokalski, Linda Roach and Nicky Lumb assisted with final layout and editing.

Will Sanders is Research Fellow at the Centre for Aboriginal Economic Policy Research, Faculty of Arts, Australian National University. He is, in that capacity, also coordinator of the Institutions of Aboriginal Australia Strand of the ANU's Reshaping Australian Institutions Project.

The Community Development Employment Projects (CDEP) scheme is a Commonwealth government program in which unemployed Aborigines of workforce age forgo their entitlements to payments from the Department of Social Security (DSS) and work instead for a local Aboriginal community organisation.¹ Organisations receive a single three-monthly payment from the Aboriginal and Torres Strait Islander Commission (ATSIC) approximating the social security entitlement of participating community members, plus a loading for on-costs and capital support. The scheme has been operating on a small scale in discrete Aboriginal communities in remote Australia since 1977. It has, in recent years, expanded enormously: 18 communities and 1,300 participants in 1982/83; 63 communities and 6,000 participants in 1986/87; 220 communities and 22,000 participants in 1992/93. This has changed the program from accounting for 4 per cent, to 12 per cent, to over 30 per cent of the Aboriginal affairs portfolio budget (see Table 1). It is now the most extensive program in the Aboriginal policy arena.

In an earlier article I traced the development of the CDEP scheme to 1987 through four historical phases (Sanders 1988): debate over its inception in the mid 1970s, a pilot operational phase in the late 1970s characterised by severe budgetary and administrative problems and considerable criticism, a period of review and reassessment in the early 1980s which culminated in the emergence of new budgetary arrangements for the scheme and a period of considerable growth and success in the years from 1983 to 1987. The aim of this paper is to reflect further on the expansion of the scheme by both returning to and extending my earlier analysis.

That earlier analysis concluded by suggesting that the 'golden age in the development of the CDEP scheme may be yet just beginning' (Sanders 1988: 46). That prediction has proven correct. However, I also remember wondering, in 1987, whether I might, in five or six years time, be writing about the rise and fall of the CDEP scheme. I was unconvinced that the CDEP scheme had adequately resolved many of the tensions involved in attempting to be both a 'welfare' and a 'workforce' program. I wondered whether this might still cause the program's demise. My written conclusion, however, proved correct.

The closest I came to writing that other story was in 1991 when Jon Altman and I wrote a paper on the 'unresolved policy and administrative issues' in the CDEP scheme (Altman and Sanders 1991). That phrase was drawn from a 1990 review of the CDEP scheme's 'funding and administration' in which Altman had been involved. The review had recommended a 'breathing space' in the scheme's expansion in order that some of these 'unresolved issues' might be addressed (CDEP Working Party 1990). The list of such issues was long. The 1990 review report contained chapters on funding options, participant data handling, family

allowance supplement eligibility, women's participation and other administrative issues (CDEP Working Party 1990). The analysis in our paper discussed the unresolved issues under headings identifying: the inadequacy of funding and administrative arrangements; marginal eligibility differences between CDEP and social security provision; gender considerations; the issue of what constitutes work; supplementary versus substitution funding; under-award wages and secondary labour markets; the adequacy of capital and on-cost provision; the issue of long-term participant dissatisfaction with 'a life of small money'; the perverse incentive structures involved in the use of the scheme for enterprise support; community self-management versus individual rights; and community self-management versus public accountability (see Altman and Sanders 1991). Our overall analysis suggested that these issues were, in large part, due to the scheme's attempts to be both a welfare and a workforce program and that while that remained the case, there was little chance of their simultaneous resolution.

In response to the 1990 review, there was some attempt to halt expansion of the CDEP scheme in the 1990/91 budget. No new communities were to be added to the scheme, but communities already participating could, and did, build up participant numbers (see Table 1). During the early months of 1991, the Royal Commission into Aboriginal Deaths in Custody (RCIADIC) strongly recommended further expansion of the CDEP scheme, despite also recognising and canvassing many of the 'criticisms' made of the scheme (Commonwealth of Australia 1991: 425-41). Expansion of the CDEP scheme was then firmly back on the agenda. It has remained so ever since, despite the fact that a large number of issues within the scheme remain unresolved. A recent national review of the CDEP scheme captured this apparent paradox very clearly. The review was, on the one hand, entitled *No Reverse Gear*, reflecting the sentiment of one Aboriginal community chairperson who clearly felt that there was no question of going back to DSS unemployment payments, now Jobsearch/Newstart Allowance. On the other hand, it also stated at the outset that there were 'some deep-seated, structural issues in relation to the future development of the program which require attention at national and community levels' (Deloitte Touche Tohmatsu 1993: 2).

Why has the CDEP scheme proved so durable and attractive, despite these unresolved policy and administrative issues? To answer that question I refer to my 1988 article and the three forces which I saw then as best explaining the persistence and growth of the CDEP scheme: bureaucratic politics, remote community politics and the rise of unemployment (Sanders 1988). These forces are as pertinent today as they were five or six years ago in explaining the development of the CDEP scheme. In what follows, I briefly reiterate and update my understanding of these three key forces under the slightly revised labels of bureaucratic and governmental politics,

Aboriginal community politics and persistent unemployment. The final section turns directly to the relationship between the expansion of the CDEP scheme and those unresolved policy and administrative issues. It argues that these unresolved issues are largely matters of internal program logic and are the product of a certain type of rationalistic policy analysis. That form of analysis, although it does have its uses, is not adequate to the task of explaining the CDEP scheme's growth and development. The expansion of the scheme has been determined by forces external to the program. These can be better described by the more economic and political style of policy analysis engaged in here.

Table 1. CDEP participant numbers and expenditure.

Year	Communities participating	Participants (workers)	CDEP expenditure (\$ million)	CDEP as % of Aboriginal affairs portfolio expenditure
1976/77	1	100	0.1	0.1
1977/78	10	500	2.0	1.6
1978/79	12	800	2.9	2.1
1979/80	17	700	3.8	2.7
1980/81	18	1,300	6.9	4.3
1981/82	18	1,300	7.0	4.1
1982/83	18	1,300	7.4	3.7
1983/84	32	1,700	14.2	5.8
1984/85	33	2,900	23.5	8.3
1985/86	38	4,000	27.2	9.2
1986/87	63	6,000	39.5	11.9
1987/88	92	7,600	65.5	17.4
1988/89	129	10,800	98.8	22.0
1989/90	166	13,800	133.2	25.0
1990/91	169	18,266	194.1	35.8
1991/92	185	20,000	205.0	34.7
1992/93	220	22,000	234.0	31.2

Sources: Sanders (1988); CDEP Working Party (1990); Morony (1991); Deloitte Touche Tohmatsu (1993).

Bureaucratic and governmental politics

The term 'bureaucratic politics' was used in my first article to refer to matters of dispute within the Commonwealth Government's administration over whether a program like the CDEP scheme should exist and, if so, how it should be managed (Sanders 1988). The starting point for such analysis

is the clear enthusiasm for the scheme over many years of the Commonwealth Aboriginal Affairs portfolio, first as the Department of Aboriginal affairs (DAA) and now as ATSIC. This is so, despite DAA having considerable budgetary and administrative problems with the scheme during its early years and despite ATSIC's continued tussling with unresolved administrative and policy issues. The emphasis of the scheme seems to fit nicely with the portfolio's philosophy of community-level Aboriginal self-determination and self-management. Indeed had it not been for the enthusiasm of the DAA, the CDEP scheme would probably never have been established within the Commonwealth bureaucracy.

The DSS, in particular, had severe reservations about the CDEP scheme when first proposed, fearing it would leave it open to charges of discrimination against Aborigines in the payment of social security benefits. The mainstream Commonwealth employment portfolio also had reservations and initially would have preferred expanding existing employment and training programs for Aborigines (see Interdepartmental Working Party on Aboriginal Employment 1976). Once the DAA had established the CDEP scheme, however, it became more difficult for these functional line bureaucracies to maintain their resistance. The Aboriginal affairs portfolio easily utilised the rhetoric of Aboriginal self-determination and self-management in defence of the scheme.

Another area of bureaucratic concern over the CDEP scheme, which emerged during the early years of its operation, related to financial and budgetary matters. To operate as a social security equivalent, the scheme really needed an open-ended budget in order to respond to changing numbers of eligible individuals in participating communities. However, as an Aboriginal affairs portfolio program, the CDEP scheme was initially restricted to a pre-allocated budget, which the DAA could only expand by reducing other budget items. This changed in 1983, when the Department of Finance agreed to give the Aboriginal affairs portfolio an open-ended budget for the wages component of the CDEP scheme in recognition of its notional link to social security entitlement. The importance of this concession from the Department of Finance cannot be overstated in understanding the subsequent growth of the CDEP scheme. The budgetary demands of participating communities, arising from changing numbers of individual participants, could now be met by the DAA without affecting its other budget commitments. The DAA had won for itself a partially open-ended budget through the CDEP scheme. This was a rare achievement in Canberra bureaucratic politics, and one that the DAA, and now ATSIC, have retained and utilised over the years with some determination.

A related component of the CDEP scheme's expansion, which arose more from governmental than bureaucratic politics, was its extension to larger numbers of Aboriginal communities. The original decision for this to occur

was made in 1983 in conjunction with the open-ended budget arrangement. However, this decision was of the Commonwealth Government's own making and not dependent on the Department of Finance's advice. It reflected the fact that, throughout the years of review during the early 1980s, demand for participation in the scheme from Aboriginal communities remained very strong. Faced with such persistent demand, neither the Fraser government in its last days, nor the new Hawke government, could see any reason to stop the scheme expanding to new communities once its budgetary problems had been resolved.

That 1983 decision to allow the CDEP scheme to expand to new communities has been reinforced strongly in more recent years, as independent government inquiries have repeatedly favoured the scheme. The first such inquiry to do so was the Miller Committee of Review into Aboriginal Employment and Training Programs in 1985 which endorsed the scheme as making 'an important contribution to development of Aboriginal economic independence' (Miller et al. 1985: 344). This encouraged the Hawke Government, in responding to the Miller inquiry, to make the CDEP scheme a central part of its 1987 Aboriginal Employment Development Policy (AEDP) (Australian Government 1987a). The Government set targets for expanding the scheme by 1,600 participants per annum for the next two years (Australian Government 1987b: 10), which it achieved in 1987/88 and doubled in 1988/89 (see Table 1). As noted above, the Royal Commission into Aboriginal Deaths in Custody performed a similar function in 1991, providing strong independent support for a renewed Commonwealth Government commitment to further expand the CDEP scheme. This was particularly important for bureaucratic and governmental politics in 1991, because of the more adverse attitude of the CDEP working party of the previous year. The concerns of this largely bureaucratic body were easily over-ridden by the higher status Royal Commission. The expansion of the CDEP scheme, with the backing of the RCIADIC, resumed, if it had ever really halted (see Table 1).

One cost to the Aboriginal affairs portfolio of both its open-ended budget allocation and its ability to expand the CDEP scheme to ever larger numbers of participating communities has been the ongoing interest in the scheme of another important Canberra bureaucratic player; the Australian National Audit Office (ANAO). The ANAO has had a number of concerns about the operation of the CDEP scheme over the years (Auditor-General 1990, 1992). However, its most persistent concern has been with the possibility of double payment under the CDEP scheme and social security provisions. The CDEP scheme, in its early days, had no individualised listing of participants and hence was impossible to check against social security records. The ANAO insisted that an individualised listing would need to be developed if the scheme was to expand beyond its early pilot stage. The Aboriginal affairs portfolio undertook to develop such a listing

system back in the early 1980s, and has to some extent done so. However, undertaking this task regularly and with a high level of accuracy has generally proven beyond both DAA and ATSIC, particularly since the more rapid expansion of the CDEP scheme in recent years. Accordingly, the ANAO's concern about the possibility of double payments from the CDEP scheme and the social security system continues to the present day (Auditor-General 1992); as do ATSIC's efforts to meet that concern through measures such as a recent CDEP 'census' (ATSIC 1992: 108). This ANAO concern has not, however, greatly threatened the CDEP scheme in recent years.

The general point to be made is that bureaucratic politics and governmental politics still play a central role in any explanation of the development of the CDEP scheme. The scheme has gained the support of key independent governmental inquiries over recent years, despite their recognition of its problems and criticisms. This has bolstered government commitment to the scheme, when it may at times have been in danger of flagging. The scheme has also long had the unqualified backing of the Commonwealth's Aboriginal affairs portfolio, now ATSIC. This is partly because the scheme accords with the portfolio's philosophy of funding and encouraging Aboriginal community-level self-management and partly because it gives ATSIC an open-ended budget item. Although the basic bureaucratic and governmental battles which underlay the CDEP scheme's expansion were now fought a decade ago, it has been necessary to defend them since. Both DAA and now ATSIC have been determined in that defence and have been fortunate to be backed up at opportune moments by both the Miller Committee in 1985 and the RCIADIC in 1991. The result has been the continuing expansion of the CDEP scheme.

Aboriginal community politics

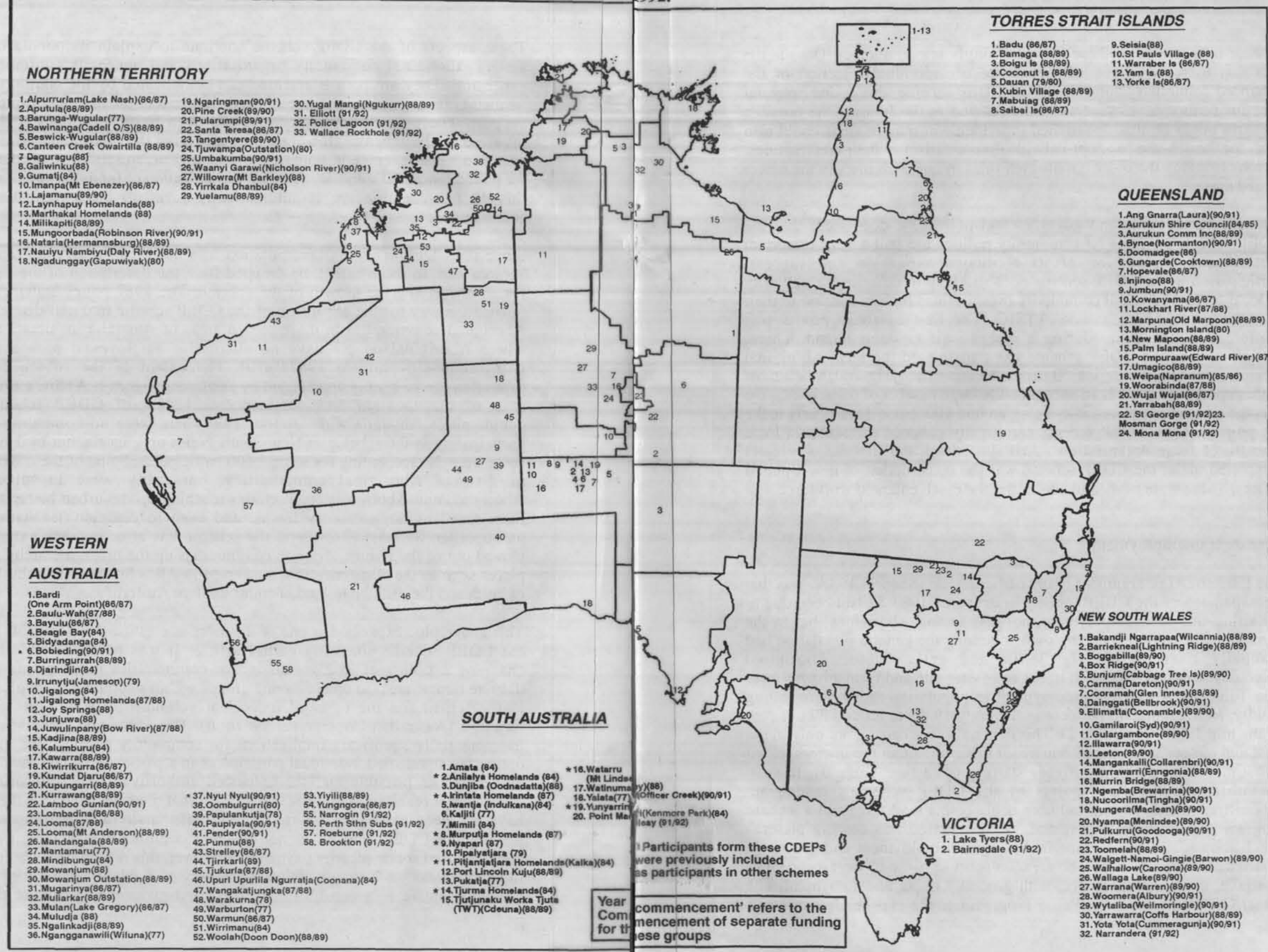
The second strand of my explanation for the persistence and growth of the CDEP scheme up to 1987 was its effects on remote community politics. Firstly, the scheme had the effect of strengthening the position of authority of local Aboriginal community councils, or other incorporated organisations, by causing large amounts of money to flow into the community through these bodies, rather than to individuals directly. The second effect was the strengthening of the position of these bodies in relation to the Commonwealth Aboriginal affairs portfolio. Since the scheme was a notional social security equivalent, it was much easier for these funded local bodies to assert their independence from their Commonwealth funder. Who else, they said, had to account for the expenditure of their social security entitlements?

These aspects of the CDEP scheme continue to explain its popularity among Aboriginal community organisations and hence its continued expansion. They are both augmented and complicated by the additional financial offerings of the scheme of up to 40 per cent on-costs and capital support. These give community councils even more incentives to be involved in the scheme. However, they also give the Aboriginal affairs portfolio some leverage in holding participating organisations to account for public funds and some discretion in the allocation of funds, as not all of this 40 per cent loading is automatically given to all participating communities.

Since the CDEP scheme's incorporation into the 1987 AEDP, the term 'remote' can, to some extent, be dropped from the description of the key forces underlying the growth of the scheme. The 1987 policy statement opened the way for the expansion of the CDEP scheme into non-discrete Aboriginal communities in more settled areas of Australia in 'situations where Aboriginal people have no alternative employment prospects' (Australian Government 1987a: 10). The extent of the subsequent expansion can be readily appreciated by examining Figure 1, ATSIC's 1992 map of the location and commencement date of CDEP scheme communities Australia-wide. Before 1988 there were no communities participating in the scheme in New South Wales or Victoria, but by 1992 there were 34, accounting for some 1,600 participants. Some of these were in discrete Aboriginal communities, but many were in mixed Aboriginal/non-Aboriginal communities reaching up the urban hierarchy from small to large country towns, and even to communities within metropolitan Sydney. Elsewhere, the scheme has also, to some extent, moved out of the remote, discrete communities up the urban hierarchy to places such as the Tangentyere town camps in Alice Springs, the suburbs of Perth and the rural hinterland of south-western Australia.

This geographic expansion is one of the more interesting developments in the CDEP scheme since my earlier article. It was made possible by changing a policy of 'one in, all in' for communities participating in discrete remote areas to one of having groups within a community involved in the scheme on the basis of individual voluntarism in non-discrete locations (Australian Government 1987b: 6). This individual voluntarism has potentially significant implications for community politics. The exit option for dissatisfied individual participants in a participating community now becomes possible and the enhanced authority of the sponsoring community organisation, in principle at least, that much less. To date there have not been extensive reports of dissatisfied individual participants leaving the CDEP scheme in non-discrete communities in favour of individualised social security payments. However, this is now a possibility. In remote areas, such an exit option is still only available if a participant is willing to move to a non-CDEP locality; and given the growth of the

Figure 1. Location and commencement date of CDEP scheme communities, April 1992.



scheme in recent years these are increasingly few in number. Despite the fact that there is as yet little evidence of individual rejection of the enhanced community authority of the CDEP scheme, this is one potential area for further developments in the scheme in the future. One possible scenario might be that dissatisfied individuals in remote areas could also push for the scheme to adopt individual voluntarism in their communities, thereby bringing the older remote area rules in line with rules in the newer settled areas.

As with bureaucratic and governmental politics, it does seem that the CDEP scheme's effects on community politics are still a very important part of any explanation of its continued expansion and success. Participation in the CDEP scheme does still help to enhance the authority of local-level Aboriginal community organisations both in relation to their community members and to ATSIC. The first of these points was reinforced quite starkly during a recent visit to Palm Island. There, participation in the CDEP scheme has transformed the local Aboriginal council from one employing 50 people to one employing 700, albeit most of them part-time. This is an exceptionally large number of participants, the average number per community being around 100, but it does clearly make the point that the CDEP scheme can greatly enhance the size and local strength of these organisations. At Palm Island, the first major project completed under the CDEP scheme was the construction of new Council offices. These were needed to administer the much enlarged workforce.

Persistent unemployment

The third strand of argument in my earlier article (Sanders 1988), was that the expansion of the CDEP scheme in the years 1983-87 had been due to the rising tide of unemployment, not just among Aborigines, but in the community at large. As unemployment among the general population had gradually risen during the 1970s and early 1980s, Aboriginal unemployment had risen with it, but at a faster rate and from a higher base (see Table 2). Aboriginal employment to population ratios were falling rapidly, from around 40 per cent in the early 1970s to around 30 per cent by the mid 1980s (see Table 2). This decline was occurring not only in the rural and remote areas, but also in major urban and other urban areas, albeit sometimes from a slightly higher starting point (see Table 3). In such circumstances, the finer points of the CDEP scheme's inadequate administration and tensions between being both a workforce and a welfare program were of little importance. What mattered was the 'big picture', which showed a major decline in Aboriginal employment and growth in Aboriginal unemployment. Job creation schemes were in the ascendent in Australia, in an attempt to deal with generally rising unemployment. The Fraser Government's Wage Pause Program and the Hawke Government's

Community Employment Program were both strongly promoted, and the CDEP scheme was beginning to look less out of place among employment programs than it had in the mid 1970s. By 1986, similar 'work for the dole' schemes were even being contemplated for Australians generally and would-be critics of the CDEP scheme were inclined to concede that there were no obvious alternatives to solving Aboriginal employment problems (see Sanders 1988: 45-6; Mowbray 1986).

The Hawke government, in incorporating the CDEP scheme into its much vaunted Aboriginal Employment Development Policy (AEDP) in late 1987, was deliberately ignoring the CDEP scheme's unresolved administrative and policy issues in pursuit of the larger task of turning around the major decline in Aboriginal employment status. As high unemployment has persisted over recent years, both among Aborigines and in the larger community, further expansion of the CDEP scheme has never really been in doubt. Other employment and training programs have joined the CDEP scheme in specifically targeting the unemployed and citing savings of social security entitlements as a major rationale for their existence and expansion. The divide between 'workforce' and 'welfare' programs has been somewhat lessened. None of the general programs, however, have as yet gone as far as the CDEP scheme and sold themselves as a direct social security offset.

Table 2. Labor force status of Aboriginal and total populations aged 15 years and over, 1971-91.

Year	Employed Per cent	Unemployed Per cent	Not in labour force Per cent	Population
Aboriginal				
1971	41.4	4.2	54.4	56,948
1976	40.7	8.8	50.5	91,327
1981	35.7	11.6	52.7	91,819
1986	31.3	17.1	51.7	137,133
1991	37.1	16.5	46.4	153,491
Total				
1971	57.7	1.0	41.3	9,085,586
1976	58.7	2.7	38.6	9,858,098
1981	57.6	3.7	38.7	10,919,426
1986	54.4	5.6	40.0	11,965,311
1991	55.6	7.3	37.1	12,776,675

Source: Tesfaghiorghis and Altman (1991), Table 6; 1991 Census tables.

Table 3. Labor force status of Aboriginal population aged 15 years and over, 1976-91, by section-of-State.

Year/section-of-State	Employed Per cent	Unemployed Per cent	Not in labour force Per cent
1976			
Major urban	49.4	8.8	41.7
Other urban	35.2	11.0	53.9
Rural localities	32.0	6.3	61.7
Other rural	41.0	8.1	50.8
1986			
Major urban	40.1	16.9	43.0
Other urban	30.9	19.6	49.5
Rural localities	27.3	14.8	57.9
Other rural	30.3	17.1	52.6
1991			
Major urban	42.8	18.3	38.9
Other urban	34.1	20.8	45.1
Rural	40.4	11.7	47.9

Sources: Census Microfiche no. 76.505; Tesfaghiorghis and Gray (1991: 58); Taylor (1993).

Note that the data for the latter two years are for the Aboriginal population aged 15-64 years, which may push down NILF percentages slightly in comparison to 1976, and the other categories up.

Analysis of the 1991 Census, would seem to suggest that the Hawke government's AEDP, including the CDEP scheme, has been reasonably successful in halting the deterioration of Aboriginal employment status. For the first time in twenty years percentages of Aboriginal people in employment between censuses increased, and by a quite marked 5.8 per cent compared to 1.2 per cent for the total population (see Table 2). However, Aboriginal unemployment only declined by 0.6 per cent, from 17.1 to 16.5 per cent. The remainder of the Aboriginal employment growth occurred through increased labour force participation. Aboriginal unemployment rates are still, therefore, at historically high levels, particularly in urban areas where the impact of the CDEP scheme is still limited. Indeed, it is only in the rural and remote areas, where the impact of the CDEP scheme has been greatest, that Aboriginal employment has been increasing and Aboriginal unemployment decreasing (see Table 3). With Aboriginal unemployment persisting at these high levels, there can be little doubt that Aboriginal employment status in the intercensal period 1986-91 would have deteriorated quite significantly were it not for the CDEP scheme (Taylor 1993).

There is little doubt that persistent high unemployment, both among Aborigines and in the community generally, has been extremely important in recent years in explaining the continuing expansion of the CDEP

scheme. Persistent unemployment has probably been more important in explaining recent growth in the scheme than either bureaucratic, governmental or community politics; though these forces should still not be ignored. There has, in the face of persistent high unemployment, simply seemed to be no alternative to the growth the CDEP scheme. The converse of this, however, is that it is possible that as many as one-third of all Aboriginal people now in employment work under the CDEP scheme, and in remote areas that proportion is almost certainly higher.²

The expansion of the CDEP scheme: external forces and constituencies, not internal issues

How do those unresolved administrative and policy issues in the CDEP scheme, which have been so consistently identified over the years, relate to its general expansion? Why the apparent disjunction? Why, if there are so many unresolved issues, does the scheme continue to flourish? This is what Stone (1988: 1) calls a 'policy paradox' and argues that 'political life is full of them'. The paradox of the CDEP scheme can, I think, be explained by recognising that there are different types of policy analysis to which government programs can be subjected.

One type of policy analysis values the internal logic of a program. It is part of what Stone (1988: 4) calls 'the rationality project'. This type of policy analysis seeks to identify program objectives and goals and assess programs against the achievement of those goals. Issues of concern arise for programs where goals are unclear or unmet. The CDEP scheme, because of its mixture of welfare and workforce goals and multiple internal logics, is viewed unfavourably in this type of analysis. Unresolved issues abound and an impression of a program in crisis, or at least in considerable trouble, can easily be created.

This type of rationalistic, internal analysis of government programs does have its uses. It has been engaged in by official reviewers of the CDEP scheme over the years and was also, to a large extent, engaged in by Altman and myself in 1991 (Altman and Sanders 1991). It can, in some circumstances, lead to the resolution of issues within a program and greater program clarity. For example, the issue of women's participation in the CDEP scheme has recently been progressed, if not entirely resolved, by the inclusion of Supporting Parents pensioners, if they wish, among those included in a participating community.³ However, it is not the progression or resolution of such internal program issues which has determined the expansion of the CDEP scheme over the years and it is not this type of policy analysis which best explains the scheme's expansion.

To explain the expansion of the CDEP scheme, rather than prescribe its improvement, requires a different type of policy analysis. This analysis

needs to be more concerned with economic and political forces external to the program and less with internal program design. This is the type of analysis I have attempted to engage in both here and in my 1988 article. These accounts refer, only to very limited extent, to program goals and internal program logic. They instead focus largely on economic, political and bureaucratic forces external to the program. The force that looms largest is economic; the persistently high levels of Aboriginal unemployment. But external political and bureaucratic forces are also apparent. These manifest themselves as interests, or constituencies, which surround the CDEP scheme and which have required management by the scheme's promoters.

The foregoing discussion directly suggests at least three different interests or constituencies which the administrative promoters of the CDEP scheme have had to manage over the years; a bureaucratic constituency, a governmental constituency and an Aboriginal community constituency. A more detailed account of the CDEP scheme's history would suggest at least two others; an industrial relations constituency and a general public constituency. ATSIC's and formerly DAA's management of these constituencies, both in retrospect and in prospect, are worthy of a brief final review.

The bureaucratic constituency was, in the early day of the CDEP scheme, the most problematic one. It was other Commonwealth bureaucrats, with their various administrative and financial concerns, who almost stopped the scheme from coming into existence and who in the early days of its operation restricted its expansion beyond a small pilot scale. Since 1983, however, the bureaucratic constituency has been at least passively supportive of the CDEP scheme, by leaving well enough alone. This is still so, despite the continuing concerns of the ANAO, and looks like remaining so in the future. Having lived with the CDEP scheme over the last 15 years, the various surrounding bureaucracies have simply become accustomed to it and its somewhat troublesome unresolved issues.

Once the bureaucratic constituency accepted the CDEP scheme, the governmental constituency that the bureaucrats were advising easily followed. Indeed, the Fraser Government would have expanded the CDEP scheme considerably earlier, but for the advice of its Finance bureaucrats and the Auditor-General. The Hawke Government also had little trouble agreeing to the Aboriginal affairs portfolio's wishes for expansion of the scheme, once Finance and the Auditor-General were placated. As unemployment has risen and persisted, and dealing with long-term unemployed people generally has become more of an issue for governments, the support of the governmental constituency for the CDEP scheme has become assured. This has been particularly so as independent government inquiries such as the Miller committee and the Royal

Commission into Aboriginal Deaths in Custody have expressed their support for the scheme.

The support of the Aboriginal community constituency for the CDEP scheme has never been in doubt. The scheme has always enjoyed extensive popularity amongst Aboriginal community organisations and, in its troubled early days, Aboriginal affairs portfolio administrators had considerable trouble holding back community demands for its expansion. In the future, however, it may well be the Aboriginal community constituency of the CDEP scheme which provides the greatest challenges for its ATSIC managers. I base this prediction on the increasingly frequent observation of field workers in CDEP communities, that after an initial flush of enthusiasm, some concern is often expressed about longer-term disenchantment with the scheme and the limited income that it can deliver (Smith et al. 1990: 61-5; Moizo 1990: 37; Arthur 1991: 26). If Aboriginal people become disenchanted and begin to feel that the scheme is limiting their access to higher income and better employment, then perhaps ATSIC will begin to have problems managing this most important of the scheme's constituencies. It is interesting in this regard that former DAA secretary, Charles Perkins, who nowadays operates more as a prominent member of the Aboriginal community, recently criticised the CDEP scheme for 'deluding both governments and Aboriginal people' about Aboriginal employment. It is not, he argued, 'employment - regardless of various ministerial and other statements' and could, in the future run into 'immense problems' from the International Labour Organisation (ILO) (Perkins 1992: 231). I do not, however, see dissatisfaction among the Aboriginal constituency as an immediate threat to the CDEP scheme, since levels of Aboriginal unemployment are still so very high. Aboriginal people's dissatisfactions are more likely, at this stage, to be directed to gaining better deals within the scheme than to its wholesale revamping or abandonment.

Perkins' comments suggest a fourth constituency which deserves to be mentioned, an industrial relations constituency. In the troubled early days of the CDEP scheme, the spectre of ILO censure of the scheme was frequently invoked. The solution of the Aboriginal affairs administrators was to promulgate rules suggesting that CDEP participants were to be paid part-time pro-rata award rates (see Sanders 1988: 37). This management of the problem seemed to hold quite well during the 1980s, despite the fact that unions still recognised that 'most CDEP schemes underpay their workers'. The unions had been unwilling to 'interfere' with the CDEP scheme because they recognised its 'benefits' for Aboriginal people and that community participation had been freely sought and entered into (Smith 1990). In recent years, however, as numbers have grown and the scheme has spread geographically into larger more urban areas, the unions have begun to question this attitude of non-interference (Deloitte Ross Tohmatsu

1992; Altman and Hawke 1993). This too may be a constituency to be reckoned with in the future.

One final constituency surrounding the CDEP scheme which needs to be mentioned is the general public. As I argued in my earlier article, Aboriginal affairs portfolio administrators and Aboriginal participants in the CDEP scheme have long recognised the good 'public relations' potential of the scheme (Sanders 1988: 45). Against a backdrop of long-standing community ambivalence to the worthiness of the unemployed as social security recipients, the CDEP scheme, symbolically, turns Aboriginal 'dole bludgers' into fine upstanding members of the community who work for a meagre living. Aboriginal people are well aware of this symbolic public relations value of the CDEP scheme, and will not relinquish it lightly. There is a general public constituency to which Aboriginal affairs programs need to appeal and the CDEP scheme is particularly good at the task.

Concluding comment

There seems little evidence to suggest that the success of the CDEP scheme is coming to an end. I suspect that the CDEP scheme will remain intact and will continue to expand over the next few years. This expansion may be at a somewhat slower rate than in recent years, as there is no longer such a large pool of Aboriginal communities wanting to enter the scheme. But the combination of bureaucratic, governmental and community politics and persistent unemployment would seem too powerful a set of forces for the scheme to do other than further expand. Equally ATSIC's management of the constituencies surrounding the CDEP scheme, at this stage, seems reasonably successful. Five years from now, the CDEP scheme will probably operate in over 250 communities and involve more than 25,000 participants. Beyond that time frame, it is difficult to predict. Certainly five years ago, I would never have predicted the extent of the CDEP scheme's recent expansion.

Notes

1. The terms Aboriginal and Aborigines are used in this paper to include all indigenous Australians, including Torres Strait Islanders.
2. The figure of one-third is based on the calculation that 56,300 Aboriginal people were counted as being in employment at the 1991 census and some 18,300 were then involved in the CDEP scheme. Some caution is required here, as Altman and Daly (1992) have demonstrated that in 1986 it was unclear where CDEP participants were appearing in census categories. This may be partly because of lack of clarity in census instructions, which may to some extent have been rectified in 1991. However, it may also be because some CDEP participants are non-working spouses and because many CDEP communities do not require that much work of participants. Participants may, therefore, still perceive and report themselves as unemployed or not in the labour force.

3. I say that the issue of women's participation in the CDEP scheme has been progressed, rather than resolved, by this move because the new arrangement has not addressed all the apparent gender inequities in the CDEP scheme and has, in fact, also created some new ones. What about spouses of employed Aborigines? They still can't legally participate in the CDEP scheme. Also, what if Supporting Parents pensioners choose to stay on their pension but would like to earn some additional income through the CDEP scheme. This may seem fair in relation to other Supporting Parents pensioners who can earn extra income, but is it fair in relation to other CDEP participants who don't have that same opportunity? And how would the Auditor-General view such an arrangement for Supporting Parents pensioners; as legitimate earning of additional income or as a form of 'double dipping' on the basis of the same welfare claim?

References

- Aboriginal and Torres Strait Islander Commission (ATSIC) 1992. *Annual Report 1991-92*, Australian Government Publishing Service, Canberra.
- Altman, J.C. and Daly A.E. 1992. 'The CDEP scheme: a census-based analysis of the labour market status of participants in 1986', *CAEPR Discussion Paper No. 36*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.
- Altman, J.C. and Hawke A.E. 1993. 'Indigenous Australians and the labour market: issues for the union movement in the 1990s', *CAEPR Discussion Paper No. 45*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.
- Altman, J.C. and Sanders W. 1991. 'The CDEP scheme: administrative and policy issues', *Australian Journal of Public Administration*, 50 (4): 515-25.
- Arthur, W.S. 1991. 'The implications of the CDEP scheme for the economic development and employment of islanders in the Torres Strait', *Australian Aboriginal Studies*, 1991/1: 25-38.
- Auditor-General 1990. *Audit Report No. 12 1990-91: Aboriginal and Torres Strait Islander Commission - Community Development Employment Projects*, Australian Government Publishing Service, Canberra.
- Auditor-General 1992. *Audit Report No. 44 1991-92: Project Audit Department of Social Security Entitlement Checks in Localities with Community Development Employment Projects*, Australian Government Publishing Service, Canberra.
- Australian Government 1987a. *Aboriginal Employment Development Policy Statement: Policy Paper No. 1*, Australian Government Publishing Service, Canberra.
- Australian Government 1987b. *Aboriginal Employment Development Policy. Policy Paper No. 3. Community-Based Employment, Enterprise and Development Strategies*, Australian Government Publishing Service, Canberra.
- CDEP Working Party 1990. *Community Development Employment Projects: Review of Funding and Administration*, Report to the Review Steering Committee, February, 1990.
- Commonwealth of Australia 1991. *Royal Commission into Aboriginal Deaths in Custody: National Report*, vol 4, (Commissioner E. Johnston), Australian Government Publishing Service, Canberra.

- Deloitte Ross Tohmatsu 1992. *Impact of Industrial Awards on CDEP*, Report to the Aboriginal and Torres Strait Islander Commission, Canberra.
- Deloitte Touche Tohmatsu 1993. *No Reverse Gear: A National Review of the Community Development Employment Projects Scheme*, Report to the Aboriginal and Torres Strait Islander Commission, Canberra.
- Interdepartmental Working Party on Aboriginal Employment 1976. Report, Canberra.
- Miller, M. (Chairman) 1985. *Report of the Committee of Review of Aboriginal Employment and Training Programs*, Australian Government Publishing Service, Canberra.
- Moizo, B. 1990. 'Implementation of the community development employment scheme in Fitzroy Crossing: a preliminary report', *Australian Aboriginal Studies*, 1990/1: 36-40.
- Morony, R. 1991. 'The Community Development Employment Projects (CDEP) scheme', in J.C. Altman (ed.) *Aboriginal Employment Equity by the Year 2000*, Academy of Social Sciences in Australia and Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.
- Mowbray, M. 1986. 'Work-for-the-dole in action', *Australian Society*, 5 (10): 40.
- Perkins, C. 1992. 'Aboriginal Australia and public administration', *Australian Journal of Public Administration*, 51 (2): 223-33.
- Sanders, W. 1988. 'The CDEP scheme: bureaucratic politics, remote community politics and the development of an Aboriginal 'workfare' program in times of rising unemployment', *Politics*, 23 (1): 32-47.
- Smith, B., Adams, M. and Burgen, D. 1990. *Where to Now? Department of Social Security Payments and Aboriginal and Torres Strait Islander Communities in North Australia*, North Australia Development Unit, Department of Social Security, Darwin.
- Smith, M. 1990. 'Employment, training, unions and awards', unpublished paper presented at the Australian Institute of Aboriginal and Torres Strait Islander Studies Biennial Conference on Remote Aboriginal and Torres Strait Islander Community Futures, James Cook University, Townsville, 11-14 July.
- Stone, D.A. 1988. *Policy Paradox and Political Reason*, Scott Foresman, Glenview, Illinois.
- Taylor, J. 1993. *The Relative Economic Status of Indigenous Australians, 1986-91*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.
- Tesfaghiorghis, H. and Altman J.C. 1991. 'Aboriginal socio-economic status: are their evident changes?', *CAEPR Discussion Paper No. 3*, Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.
- Tesfaghiorghis, H. and Gray, A. 1991. 'The demographic structure and location of the Aboriginal population: employment implications' in J.C. Altman (ed.) *Aboriginal Employment Equity by the Year 2000*, Academy of Social Sciences in Australia and Centre for Aboriginal Economic Policy Research, Australian National University, Canberra.

CENTRE FOR ABORIGINAL ECONOMIC POLICY RESEARCH
(CAEPR)

RECENT DISCUSSION PAPERS

- 19/1992 *Estimating the reliance of Aboriginal Australians on welfare: some policy implications*, J.C. Altman and D.E. Smith.
- 20/1992 *Establishing trends in ATSIC regional council populations using census data: a cautionary note*, J.C. Altman and K.H.W. Gaminiratne.
- 21/1992 *Do fluctuations in the Australian macroeconomy influence Aboriginal employment status?*, J.C. Altman and A.E. Daly.
- 22/1992 *Industry segregation among employed Aborigines and Torres Strait Islanders*, J. Taylor.
- 23/1992 *The evaluation of labour market programs: some issues for Aboriginal policy formulation from experience in the United States*, A.E. Daly.
- 24/1992 *First counts, 1991 Census: a comment on Aboriginal and Torres Strait Islander population growth*, K.H.W. Gaminiratne.
- 25/1992 *Patterns and trends in the spatial diffusion of the Torres Strait Islander population*, J. Taylor and W.S. Arthur.
- 26/1992 *Aborigines, tourism and sustainable development*, J.C. Altman and J. Finlayson.
- 27/1992 *Political spoils or political largesse? Regional development in northern Quebec, Canada and Australia's Northern Territory*, C. Scott.
- 28/1992 *Survey or census? Estimation of Aboriginal and Torres Strait Islander housing need in large urban areas*, J. Taylor.
- 29/1992 *An analysis of the Aboriginal component of Commonwealth fiscal flows to the Northern Territory*, D.E. Smith.
- 30/1992 *Estimating Northern Territory Government program expenditure for Aboriginal people: problems and implications*, D.E. Smith.
- 31/1992 *Estimating Aboriginal and Torres Strait Islander fertility from census data*, K.W.H. Gaminiratne.
- 32/1992 *The determinants of Aboriginal employment income*, A.E. Daly.
- 33/1992 *Occupational segregation: a comparison between employed Aborigines, Torres Strait Islanders and other Australians*, J. Taylor.
- 34/1992 *Aboriginal population change in remote Australia, 1986-91: data issues*, J. Taylor.
- 35/1992 *A comparison of the socioeconomic characteristics of Aboriginal and Torres Strait Islander people*, J. Taylor and K.H.W. Gaminiratne.
- 36/1992 *The CDEP scheme: a census-based analysis of the labour market status of participants in 1986*, J.C. Altman and A.E. Daly.

- 37/1993 *Indigenous Australians in the National Tourism Strategy: impact, sustainability and policy issues*, J.C. Altman.
- 38/1993 *Education and employment for young Aborigines*, A.E. Daly.
- 39/1993 *Self-employment amongst Aboriginal people*, A.E. Daly.
- 40/1993 *Aboriginal socioeconomic change in the Northern Territory, 1986-91*, J. Taylor.
- 41/1993 *ATSIC's mechanisms for resource allocation: current policy and practice*, D.E. Smith.
- 42/1993 *The fiscal equalisation model: options for ATSIC's future funding policy and practice*, D.E. Smith.
- 43/1993 *The position of older Aboriginal people in the labour market*, A.E. Daly.
- 44/1993 *Determining the labour force status of Aboriginal people using a multinomial logit model*, A.E. Daly, B. Allen, L. Aufflick, E. Bosworth, and M. Caruso.
- 45/1993 *Indigenous Australians and the labour market: issues for the union movement in the 1990s*, J.C. Altman and A.E. Hawke.
- 46/1993 *Rethinking the fundamentals of social policy towards indigenous Australians: block grants, mainstreaming and the multiplicity of agencies and programs*, W. Sanders.
- 47/1993 *Compensating indigenous Australian 'losers': a community-oriented approach from the Aboriginal social policy arena*, J.C. Altman and D.E. Smith.
- 48/1993 *Work and welfare for indigenous Australians*, A.E. Daly and A.E. Hawke.
- 49/1993 *Change in Aboriginal and Torres Strait Islander population distribution, 1986-91*, K.H.W. Gaminiratne.
- 50/1993 *Education and employment for young indigenous Australians, 1986 to 1991*, A.E. Daly.
- 51/1993 *Reconciling public accountability and Aboriginal self-determination/self-management: is ATSIC succeeding?*, W. Sanders.
- 52/1993 *Indicative projections of the Aboriginal and Torres Strait Islander population to 2011*, A. Gray and K.H.W. Gaminiratne.
- 53/1993 *Employment implications of the growth of the indigenous Australian working-age population to 2001*, J.C. Altman and K.H.W. Gaminiratne.
- 54/1993 *The rise and rise of the CDEP scheme: an Aboriginal 'workfare' program in times of persistent unemployment*, W. Sanders.

For information on earlier CAEPR Discussion Papers contact Nicky Lumb, Centre for Aboriginal Economic Policy Research, Faculty of Arts, Australian National University, Canberra ACT 0200. Ph (06) 249 0587 Fax (06) 249 2789.

