

**A regional CDEP for four remote communities?  
Papunya, Ikuntji, Watiyawanu and Walungurru**

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## Foreword

The Centre for Aboriginal Economic Policy Research (CAEPR) undertakes commissioned consultancy research from time to time, especially on issues that mesh closely with its research agenda. CAEPR reservations about undertaking consultancies are often linked to the issue of ownership of intellectual property: as a general rule CAEPR insists that its research outputs are publicly available to ensure information dissemination, transparency and quality-assurance accountability. This in turn places an onus on us to publish consultancy research.

This Discussion Paper is an example of a research project undertaken on a consultancy basis after negotiation with the Alice Springs regional office of the Aboriginal and Torres Strait Islander Commission (ATSIC) in 2000. The proposed research was on the development of a regional or corporate CDEP scheme for the West McDonnell region which, somewhat unusually for a remote part of the Northern Territory, did not have CDEP scheme coverage in 2000. This research complemented a great deal of research that we had undertaken at CAEPR on the CDEP scheme in 2000, that culminated in the conference 'The Indigenous Welfare Economy and the CDEP Scheme'.

The research reported here was carried out by Dr Will Sanders during the period June to August 2001, while he was a Visiting Fellow at the Centre for Appropriate Technology in Alice Springs. The Discussion Paper reproduces a report circulated in August to ATSIC and the four communities involved in the study. Although the text of the report is unchanged (minor editing apart), a map, some references, some footnotes and an afterword have been added.

By the time Will started this work, part of his research question had been answered because a CDEP scheme had been established at Papunya. What is special and important about this piece of research is that it is multi-locational, questionnaire based, collaborative research—an approach that is rarely applied in remote Indigenous Australia with respect to government programs. Interestingly, even within one region there is a diverse response to the question of the desirability of the scheme.

The format of this Discussion Paper is somewhat unusual for the CAEPR series because it includes very specific recommendations, in order to maintain the integrity of the original consultancy report. Interestingly, it meshes well with a number of themes that are currently animating CAEPR's research agenda: economic and community development, governance, welfare reform and, given the regional focus, equality, difference and diversity.

Professor Jon Altman  
Director, CAEPR  
December 2001



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**Abbreviations and acronyms**

|       |                                                  |
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| ANU   | The Australian National University               |
| ATSIC | Aboriginal and Torres Strait Islander Commission |
| CAEPR | Centre for Aboriginal Economic Policy Research   |
| CDEP  | Community Development Employment Project         |

## Summary

The four remote Aboriginal communities involved in this study have *not* been among those with a Community Development Employment Project (CDEP) over the last ten or twenty years. Some interest in these communities having CDEP was expressed in early 2000, and as a result this study was commissioned by the Aboriginal and Torres Strait Islander Commission (ATSIC). Papunya was given a CDEP with 50 participant places in October 2000, so by the time this study was conducted in June and July 2001 one of the four communities already had a CDEP.

Interviews based on a structured questionnaire were conducted in each of the communities with 20 Indigenous adults. Less structured interviews were also conducted with Council Clerks and with some other employees of organisations which might potentially take on CDEP participants as employees. ATSIC officers involved in CDEP administration in regional and central offices were also interviewed.

CDEP size has been an issue of some interest within ATSIC over recent years, with an emerging push towards larger multi-locational CDEPs as a better way of utilising CDEP on-cost resources. Hence the questionnaires in the four communities dealt not only with knowledge of and interest in CDEP, but also with whether interviewees thought their community could share a CDEP with the other communities in the regional group, particularly Papunya.

Interviews at Papunya revealed a good level of knowledge of CDEP. They also revealed grand plans for CDEP work activities which had, over the early months of CDEP implementation, not been realised. The report analyses in some detail why the challenge of providing 50 CDEP participants with purposeful work and adequate administrative and supervisory support has not been fully met at Papunya. It suggests that this issue is not unique to Papunya but is quite generally experienced in remote Aboriginal communities whose community councils take on large increases in their workforces through CDEP.

Interviews at Ikuntji revealed a quite different approach to CDEP. This community wished to start small, taking up only 12 of the 20 participant places on Papunya's CDEP which, at the time of the study, had just been offered to them. Interviewees at Ikuntji had less knowledge of CDEP than at Papunya, but their knowledge was still quite good. Half thought that Ikuntji could share a CDEP with Papunya without any problems, while the others were unsure or more doubtful. To overcome the potential for conflict and disagreement in sharing a CDEP, Ikuntji Community Council, on the advice of its Council Clerk, was seeking a written agreement with Papunya Community Council on how the CDEP participants based at Ikuntji would be serviced by the two organisations. Ikuntji Community Council's approach to CDEP, both in terms of starting small and wanting a written service agreement with Papunya, is endorsed and supported in the report.

At Watiyawanu, both an informal meeting of councillors and interview responses revealed some interest in going onto CDEP, but only if the CDEP could be

separate from Papunya's. Knowledge of CDEP at Watiyawanu was considerable and further consultations between ATSIC and the Watiyawanu community are recommended before any move towards CDEP is made.

Interviews at Walungurru revealed considerably less interest in going onto CDEP than in any of the other communities. This was not because of a lack of knowledge, as knowledge of CDEP in Walungurru was considerable. Any mention of sharing with Papunya reduced interest in CDEP in Walungurru to virtually none. The report argues that the first priority in Walungurru is to stabilise Walungurru Community Council administration. Even after this is achieved, any move towards CDEP in the community will need to contend with a lower level of interest than in the other communities and virtually no interest in sharing CDEP with Papunya.

The final section of the report provides an overview analysis of CDEP size directed more to policy makers within ATSIC than to the communities. It argues that rather than being too small, many CDEPs in remote Aboriginal communities may in fact be too big. It argues further that rather than trying to develop larger multi-locational CDEPs, ATSIC should perhaps, through changes in rules and funding arrangements, be giving more support to small CDEPs.

Twelve recommendations are made during the course of the report at appropriate points. These are best read in the flow of the argument. However, they are presented separately here for the convenience of readers.

**Recommendation 1.** That if Papunya Community Council wishes to have a 'no work, reduced pay' policy for CDEP participants, it should implement that policy through decisions of the full elected Council or a nominated sub-committee of the Council, rather than through the CDEP Coordinator/Administrator.

**Recommendation 2.** That Papunya Community Council be encouraged to use top-up wages, in addition to and in preference to its 'no work, reduced pay' policy, as a way to encourage CDEP participants to undertake work activities.

**Recommendation 3.** That Papunya Community Council strengthen the team group and leadership structure of its CDEP.

**Recommendation 4.** That Papunya Community Council clarify through Council decisions that CDEP participants will continue to be paid during annual holidays, ceremony and sorry business and other legitimate, identified Council-endorsed events and activities.

**Recommendation 5.** That ATSIC support the idea of a written agreement between Ikuntji Community Council and Papunya Community Council as a way of dealing with issues about how CDEP participants based at Ikuntji are to be serviced with respect to matters such as materials, access to equipment, on-cost support and workers' compensation insurance.

**Recommendation 6.** That ATSIC commend and support Ikuntji Community Council in its policy of only taking on a small number of CDEP participants to whom it feels it can give purposeful work and adequate administrative and

supervisory support. That ATSIC also support Ikuntji in its future efforts to involve these CDEP participants in accredited training related to their work activities and to take on further small numbers of CDEP participants when and if the Council feels it can.

**Recommendation 7.** That ATSIC regional office in Alice Springs arrange to consult further with Watiyawanu on the possibility of going onto CDEP on the clear understanding that there is some level of interest in the community, but only if a Watiyawanu CDEP can be separate from Papunya's.

**Recommendation 8.** That in conducting consultations at Watiyawanu on the possibility of a CDEP, ATSIC explore the issue of cooperative involvement of both the Watiyawanu Community Government Council and the outstation resource agency based in Watiyawanu.

**Recommendation 9.** That any further consideration of the possibility of having CDEP at Walungurru be deferred until it is clear that a more stable pattern of Council administration has been re-established, including the appointment of a longer-term Council Clerk. That ATSIC direct its current efforts in relations with Walungurru to assisting this stabilisation process in Council administration.

**Recommendation 10.** That any future consultations with Walungurru on the possibility of having CDEP in the community be undertaken on the understanding that there was considerably less interest in Walungurru in being in CDEP in June and July 2001 than in any of the other three communities involved in this study, and that there was little or no interest in sharing CDEP with Papunya.

**Recommendation 11.** That ATSIC and the Commonwealth Government give consideration to changes in CDEP rules and funding arrangements that would raise CDEP wages funding per participant somewhat above the level of social security unemployment payments. That CDEP on-cost funding also be increased, possibly on a per participant basis but also possibly through a flat-rate grant per CDEP. That as a consequence of these changes, to keep the budget for CDEP the same, numbers of participants on CDEP be reduced.

**Recommendation 12.** That ATSIC recognise the general way in which CDEP is utilised in discrete remote Aboriginal communities in sparsely settled northern and central Australia and that as a consequence of this, ATSIC encourage CDEPs with small participant numbers which might not necessarily employ a separate CDEP Coordinator/Administrator.

## **Acknowledgments**

Many people have contributed to this research project. Foremost among them are the people in the four communities who were willing to be interviewed by yet another researcher. They are too many to name, and to do so would breach the confidentiality with which interviews were undertaken. The Council Chairpersons in the four communities, Sammy Butcher, Johnny Jugadai, Norman Wheeler and Andrew Spencer, were of great assistance, as were the Council Clerks, Steven Hanley, Scott McConnell, Jeff Hulcombe and Richard Meynell.

Within ATSIC I owe a special debt to Alison Anderson, Cheryl King, Richard Preece, Mike O’Ryan, Kevin Kerrin, Wally Litvensky, Farran Peckham and Elaine Treloar who helped me to establish contact with the communities and gave freely of their time and knowledge. At the Centre for Appropriate Technology in Alice Springs I was made most welcome and ably supported by many staff members as I came and went over a three-month period, but perhaps most particularly by Fred Hockley. At CAEPR in Canberra I was assisted by Jon Altman and Ilona Crabb, who administered the research grant, and by Frances Morphy and Wendy Forster who assisted with Discussion Paper layout and editing. Thanks are also due to Neil Westbury for initiating the project within CAEPR during 2000.

## Introduction

The Community Development Employment Project (CDEP) scheme began in 1977 as an alternative to the widespread payment of unemployment benefits in remote Aboriginal communities in sparsely settled northern and central Australia. These communities typically then only had a very small proportions of their adult Aboriginal population in employment (Young 1981), while the rest of this population was at least potentially eligible for unemployment benefit payments (Sanders 1985). This very high potential level of unemployment benefit payments was not seen as being for the good of these communities and CDEP sought instead to employ community members part-time through community councils. CDEP participants were to undertake work of some use to the community and were to be paid a wage roughly equivalent to unemployment benefits.

CDEP proved popular with the dozen or so remote Aboriginal communities in which it was first introduced, where it involved some 2,000 or so participants. It was soon under pressure for expansion to other Aboriginal communities, including some in southern, more densely settled, parts of Australia. From the mid 1980s, such expansion occurred and by the late 1990s CDEP had expanded to over 30,000 participants in almost 300 Aboriginal and Torres Strait Islander communities all over Australia, although still predominantly in the more sparsely settled north and centre. In the 1990s CDEP became the largest program of the Aboriginal and Torres Strait Islander Commission (ATSIC) accounting for around one-third of its total budget.

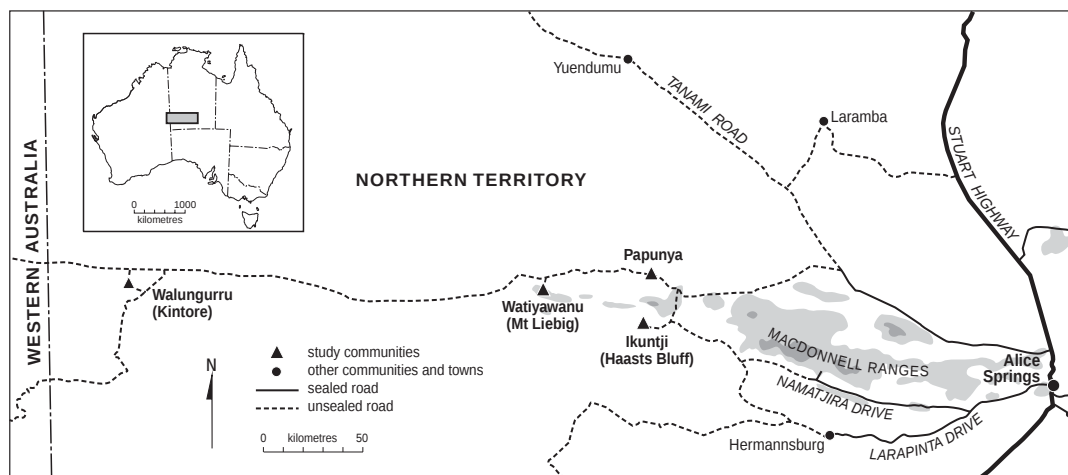
Despite this expansion, there are still a significant number of Aboriginal communities in sparsely settled northern and central Australia which do not have CDEP. The 1999 Community Housing and Infrastructure Needs Survey, conducted by the Australian Bureau of Statistics, found that of the 131 discrete Aboriginal communities in the Northern Territory with populations over 50, 103 had CDEP and 28 did not. The regional cluster of four communities involved in this study—Papunya, Ikuntji, Watiyawanu and Walungurru—were among those 28 as at August 1999. CDEP had not, for some reason, reached this region (see Fig. 1 for the location of these four communities within central Australia).

In early 2000, some interest was expressed in these four communities possibly going onto CDEP, and ATSIC commissioned a feasibility study of their doing so. Before the feasibility study was undertaken, one of the communities, Papunya, was granted a CDEP with 50 participant places, which began in October 2000. The other three communities were, at the time of the study in June and July 2001, still without CDEP, though Ikuntji had just been offered 20 participant places in the CDEP based at Papunya, to be taken up probably in October 2001.

This last development related to an aspect of the feasibility study which ATSIC was keen to emphasise: the possibility of developing a single regional or 'corporate' CDEP for the four communities. Past experience of small CDEPs elsewhere and previous work commissioned by ATSIC had suggested that an organisation on the scale of 100 participants or more was required to make best

use of CDEP on-cost resources, and in particular to employ CDEP administrator/coordinators from these resources (see e.g. Langford & Thornton 2000). ATSIC was not particularly interested, in the longer term, in having a CDEP at Papunya, or in any of the other communities, with only 50 participants. It preferred the idea of a larger, regional CDEP.

**Fig. 1. Location diagram of the study communities within central Australia**



This study reports on consultations undertaken in June and July 2001 on the operations of CDEP at Papunya and on the possibility of having CDEP at Ikuntji, Watiyawanu and Walungurru. People involved in CDEP administration at the national and central Australian regional levels of ATSIC were interviewed; so too were people in the four communities. The interviews conducted in the four communities were of two types. There were less structured interviews with Council Clerks and with people working in organisations in the communities which might be interested in having CDEP participants join them as workers. Then there were more structured questionnaire-based interviews with individual community members of workforce age who could, potentially, be participants in a CDEP. The questionnaire-based interviews, of which there were 20 undertaken in each community, asked about knowledge of and any past experience of CDEP, desire to participate in CDEP at both the community and individual level, types of work activities that might be undertaken on CDEP, and whether people thought their community could work together on CDEP with others of the four communities, particularly Papunya. Because Papunya already had a CDEP up and running by the time of the study, albeit one of only eight months' duration, the questionnaire for that community was slightly different. Due to my own lack of knowledge of the local languages, these interviews were conducted in English.

The report on Papunya is presented first and lays some of the groundwork for later reporting on the other three communities. Each of these communities is also in a somewhat different position in relation to the possible introduction of CDEP. Ikuntji is already quite advanced in its planning for its introduction, while Watiyawanu and Walungurru, for different reasons, are not. Ikuntji is discussed second, then Watiyawanu, then Walungurru. A final section of the report focuses on policy issues relating to the size of CDEPs in these kinds of remote discrete Aboriginal communities in sparsely settled northern and central Australia. This section of the report is directed more to policy makers within ATSIC than to the communities. Recommendations are made during the course of the report at appropriate points (and are also listed in the summary at the beginning of the paper).

As background for the study, current social security pension and allowance payment numbers for the four communities were obtained from Centrelink, excluding family payments (see Table 1). These numbers represent the pool of potential CDEP participants in the communities, primarily from those on Newstart and Youth Allowances, but also to some extent from those on Parenting Payments and Pensions. Under new administrative arrangements begun during 2000, these social security pension and allowance payment numbers *include* CDEP participants. So in Papunya's case, the total of 162 social security pension and allowances payment recipients includes the CDEP participants, who number almost 50.

**Table 1. Social security pension and allowance payments made to residents of Papunya, Ikuntji, Watiyawanu and Walungurru, April 2001**

| Payment type               | Papunya | Ikuntji | Watiyawanu | Walungurru |
|----------------------------|---------|---------|------------|------------|
| Pensions                   | 41      | 9       | 28         | 30         |
| Parenting Partnered        | 15      | 14      | 25         | 32         |
| Newstart & Youth Allowance | 106     | 66      | 88         | 106        |
| Total (no.)                | 162     | 89      | 141        | 168        |

Note: Pensions includes Age Pension, Disability Allowance, Parenting Payment Single and some other minor pension categories.

Source: Centrelink.

Basic population and employment information for Indigenous-identifying people aged 15 to 64 years residing in the four communities was also extracted from the 1996 Census (see Table 2). These figures clearly show the very small proportions of Indigenous adults employed in these communities in the absence of CDEP, ranging from 4 to 18 per cent. Although these figures are now somewhat out of date, it will in time be possible to update them with information from the 2001 Census, which was being conducted at the time of writing.

**Table 2. Population and employment numbers for Indigenous-identifying people aged 15–64 years resident at Papunya, Ikuntji, Watiyawanu and Walungurru, August 1996**

|                | Papunya | Ikuntji | Watiyawanu | Walungurru |
|----------------|---------|---------|------------|------------|
| Population (P) | 147     | 68      | 101        | 192        |
| Employed (E)   | 11      | 3       | 9          | 34         |
| E/P as %       | 7       | 4       | 9          | 18         |

Note: Numbers of people in these communities who did not identify as Indigenous in the 1996 Census were: Papunya 17, Ikuntji 8, Watiyawanu 6 and Walungurru 11. Virtually all these people were employed.

Source: ABS Census of Population and Housing 1996.

### **Papunya: Good knowledge, grand plans, a slow start**

Structured-questionnaire interviewees at Papunya had a good level of knowledge of CDEP. All 20 of them knew that Papunya had started a CDEP in late 2000 and 15 of them, or 75 per cent, clearly knew that CDEP wages replaced Centrelink payments such as Newstart Allowance. As one of them put it in the local vernacular: ‘Sit-down money stop’. About 15, although not the same 15, also clearly knew that CDEP participants were expected to work for their payments two or three days a week and that communities with CDEP get some extra money for the costs of work projects and equipment, as well as the money for participants’ wages. Twelve of the interviewees at Papunya, or 60 per cent, also knew of and could name other communities in the area with CDEP. The most commonly mentioned were Yuendumu, Hermannsburg and Laramba (see Fig. 1).

Fourteen of the structured-questionnaire interviewees at Papunya, or 70 per cent, were themselves CDEP employees, so perhaps their good level of knowledge was to be expected. This proportion was clearly an over-representation of CDEP participants in comparison to others of workforce age in Papunya, but this was almost inevitable, given the way in which the research was introduced to the community as being ‘about CDEP’. This introduction naturally led to my being directed towards CDEP participants as potential interviewees. The basic finding of the research, however, that knowledge of CDEP at Papunya was extensive and of a relatively high level, still stands. People at Papunya knew a lot about CDEP.

One other reason for high levels of knowledge about CDEP at Papunya was probably that, during the latter half of 2000, the Community Council engaged a planning consultant to work with the community on a plan covering both CDEP and general community affairs. Both council and public meetings devoted to this plan had been held, and by early 2001 a written document had been produced, the Papunya Community and CDEP Plan (Focus Pty Ltd 2001). This written document identified ten work activity areas for CDEP participants with numbers of workers in each ranging from two to twelve, and adding in total to 55 (see Table 3).

**Table 3. Work activities and CDEP participant numbers identified in the Papunya Community and CDEP Plan**

|                                |    |
|--------------------------------|----|
| Administration                 | 3  |
| Land Management                | 10 |
| Women's Centre                 | 12 |
| Essential Services             | 4  |
| Housing Repair and Maintenance | 5  |
| Night Patrol                   | 4  |
| Road Maintenance               | 5  |
| Broadcasting                   | 2  |
| Horticulture and Landscaping   | 5  |
| Art and Culture                | 5  |
| Total                          | 55 |

Source: Focus Pty Ltd 2001, Appendix B.

These written plans for CDEP at Papunya were extremely ambitious, even for the relatively long-term five-year forward-planning time-frame with which they claimed to be concerned. In the shorter term, including the start-up period for CDEP, the written plan was quite unrealistic.

The most common unsolicited comment made during the study by both structured-questionnaire interviewees and other interviewees at Papunya was that the start of CDEP at Papunya had been rather 'slow'. The reasons given for this were that people were still getting used to the idea of being expected to work for their sit-down money and that there had been a lot of both ceremony and sorry business over the summer of 2000–01. As a researcher from outside the community, it seemed to me that issues relating to changes in the administration of Papunya Community Council over the last year and a half might also be coming into play, and interviewees did in an indirect way also allude to this possibility.

In January 2000, the Council Clerk at Papunya of 17 years standing, local woman Alison Anderson, became the ATSIC Commissioner elected from central Australia. Her replacement as Council Clerk was her husband, Steven Hanley, a long time non-Indigenous resident and outdoor works manager in the community. There seemed to be some uncertainty as to Anderson's future level of involvement with Papunya's community administration, both during her three-year term as elected Commissioner and after the next round of ATSIC elections in late 2002. Was she going to have much presence in the community during her term as elected Commissioner? Was Hanley the Council Clerk on a permanent basis, or was the position effectively being kept available for Anderson at the end of her term as Commissioner? These issues aside, there was also the challenge for Hanley of putting his own stamp on Council administration after its many years under Anderson. This transition in Papunya Council administration during the year 2000 was not easy and it was perhaps not the best time at which to be introducing a major new program for the Council to administer, like CDEP.

When introduced to a community, CDEP can lead to a very substantial increase in the workforce of the community council. Papunya Community Council's workforce was potentially being expanded from 10 or 15 to 60 or 65. Finding enough work and providing adequate administrative support and supervision for such an expanded workforce can be a major challenge for council administration. If that challenge is not met, CDEP workers can quickly settle into a regime of not doing all that much for their work activities. To some extent this is what has happened at Papunya.

The activities most frequently identified by interviewees at Papunya as being undertaken by CDEP participants were 'tractor work' for the men—mainly picking up rubbish and collecting firewood—and 'cooking work' for the women, based at the Women's Centre. The team of women on CDEP working at the Women's Centre perhaps came closest to realising the ideals of the Papunya Community and CDEP Plan. They were engaged in a loose two-weekly cycle of health promotion activities directed to people of different ages from the very young to the very old. About half of these activities involved some form of cooking at the Women's Centre. The numbers of women involved as CDEP employees with the Centre was, however, only about half the twelve identified in the written CDEP plan (see Table 3); and this number was more than sufficient for the tasks involved and probably all that could be coped with. The numbers of men on CDEP working with the tractors seemed more variable and their work less structured: it did not correspond so clearly with any particular work activity area specified in the written CDEP plan, although collecting rubbish and firewood could be seen as elements of either Essential Services or Land Management (see Table 3).

This lack of correspondence between actual CDEP work activities at Papunya and those specified in the written plan ought not to be given too much weight. Plans ought to develop and change through processes of implementation. What is more notable and important is that, realistically, only some 15 to 20 CDEP participants at Papunya seemed to be actively engaged in work activities as at late June 2001. For the others, CDEP at Papunya had quite quickly become not much more than income support through a different administrative mechanism. Reflecting this, one female interviewee at Papunya described herself as no longer 'working' on CDEP, but still identified CDEP as her main source of income.

In recognition of this emerging pattern of fairly minimal fulfillment of CDEP work activities, Papunya Community Council has recently taken some tentative steps towards developing a 'no work, reduced pay' policy for their CDEP. The interviewee who identified CDEP as her main source of income, but also described herself as no longer 'working' on CDEP was aware of this development, and understood that her fortnightly payment would probably be cut from the standard CDEP rate at Papunya of \$360 per fortnight to either \$260 or \$210. It was, however, a little unclear from the interview whether this had already happened or was only being anticipated by the interviewee.

'No work, reduced pay' policies raise a number of difficult issues for CDEPs. It lays them open to allegations of depriving participants of their underlying income

support entitlements, and raises issues about how it will be decided which participants have met their CDEP work obligations and which have not. At Papunya, the task of judging the meeting of work obligations appears to be directed to the CDEP Coordinator/Administrator, a non-Indigenous person from outside the community employed by the Council specifically to run CDEP. Over time, this task will place the CDEP Coordinator/Administrator in a somewhat difficult and invidious position in relation to community members. It is doubtful, in my judgement, whether such an arrangement can in fact be sustained in the long term. Accusations of penalising some CDEP participants while favouring others, who have perhaps only slightly more marginally met their CDEP work activity obligations, will inevitably be levelled at the CDEP Coordinator/Administrator. His position in the community may, in the long term, become quite fraught and tenuous. This leads to the report's first recommendation.

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**Recommendation 1.** That if Papunya Community Council wishes to have a 'no work, reduced pay' policy for CDEP participants, it should implement that policy through decisions of the full elected Council or a nominated subcommittee of Council, rather than through the CDEP Coordinator/Administrator.<sup>1</sup>

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It is, in many ways, far more preferable to have positive payment incentives for CDEP participants who meet their work activity obligations, rather than negative payment sanctions for those who do not. Positive payment incentives partly account for the success of the CDEP work activities based around the Women's Centre at Papunya, as World Vision have been supporting the Centre for the past four years and have been able to provide the women with 'top-up' wages of around \$100 per fortnight.

Top-up wages have become integral to the operation of CDEP in many Indigenous communities around Australia over the last decade or more. Until July 2000, it was possible to generate top-up wages partly within CDEP itself, from the wage savings of not having as many participants on CDEP during a funding quarter as allowed for at the outset. However now that CDEP wages funding is adjusted to actual daily numbers of participants, this is no longer possible. Two other sources of top-up wages are grant funding for community councils in the substantive program areas in which CDEP participants work, such as waste management and aged or child care, and income generated from contracts won and completed or enterprises undertaken using CDEP labour.<sup>2</sup>

These other sources of community council income can be and often are used to supplement CDEP participants' wages, and work hours, above the basic income support payment level. Additional income rules within CDEP also support top-up wages, as they allow participants to retain their eligibility even if they earn three to four times the basic CDEP wage. This is considerably more generous than unemployment payment additional income rules within the social security system.

Papunya Community Council and its administration seem generally aware of these possibilities for top-up wages for CDEP participants, and are using them for some CDEP employees. They could, however, perhaps use them a little more widely and systematically in an attempt to increase the undertaking of work activities among CDEP participants. This leads to another recommendation.

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**Recommendation 2.** That Papunya Community Council be encouraged to use top up wages in addition to and in preference to its ‘no work reduced pay’ policy as a way to encourage CDEP participants to undertake work activities.

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Even with the more widespread and systematic use of top up wages, the fulfillment of work activity obligations by CDEP participants at Papunya is still unlikely to be fully realised. This suggestion is based on two lines of reasoning, both of which are more generally applicable to remote Aboriginal communities in sparsely settled Australia and not just to Papunya.

The first is that a Western-style employment routine is not the norm for adult members of these communities. Indeed, as noted at the beginning of this report, without CDEP the numbers of Indigenous adults in employment in these communities is only a very small proportion of the total (see Table 2). Being in employment may in fact mean that Indigenous adults in these communities are somewhat restricted and constrained in their ability to engage in normal, everyday, mainstream community activities; such as sitting around talking to kith and kin, playing cards, going to the shop, going out bush hunting and gathering, and, intermittently but quite frequently, attending to ceremony or sorry business. If CDEP employment were to interfere too greatly with these normal patterns of community activity, it might not be highly prized or valued.

The second line of reasoning relates to the situation where, in an attempt to make employment routines much more the norm in these communities, large numbers of Indigenous adults are employed on CDEP. In this situation, as at Papunya over recent months, the difficulty becomes one of identifying and providing administrative and supervisory support for sufficient numbers of purposeful work activities for large numbers of people. When this challenge is not fully met, again as at Papunya over recent months, work activities within CDEP can quickly slip back to being fairly basic and unappealing or non-existent.

In the attempt to identify and provide administrative support for purposeful work for CDEP participants, community councils like Papunya’s often place their CDEP employees with other organisations in their communities who may be able to utilise some extra workers, such as the shop, the school or the health centre. Papunya Community Council did place a couple of CDEP workers at the shop. But this did not last long, as the workers involved either reassigned themselves to the more social and relaxed men’s tractor activities and women’s cooking activities or just stopped working on CDEP altogether. The health centre at Papunya saw future potential for taking on CDEP participants as trainee health workers or gardeners and cleaners, but at the time of the study was focusing on

re-establishing, after a hiatus, the employment routines of local Indigenous occupants of similar positions funded from within its own budget. Some attempt was also made to place CDEP participants in the school, but relations between the school and Papunya Community Council have been somewhat strained over recent times and no agreement was achieved over who the appropriate CDEP participants for such a placement might be.

Clearly finding purposeful ongoing work for large numbers of CDEP participants has been a major challenge for the Papunya Community Council which it has not been able to meet fully. Starting with a small number of CDEP participants might well have been easier and perhaps ATSIC needs to rethink some of its ideas about the size of CDEPs in the light of this and other experiences. This topic will be returned to in the final section of the report.

At this stage, it could be said that the major benefit to Papunya Community Council of taking on 50 CDEP participants has not been a greatly expanded workforce, because this has not happened, but rather it has been the chance to upgrade much of its plant and equipment through the CDEP start-up grant and a generous initial on-cost component in Papunya's CDEP funding. One of the most common comments made during interviews about what CDEP had achieved at Papunya was that it had brought the community two new tractors and an upgraded backhoe and road grader. This new equipment was in many ways seen as the major benefit to Papunya of CDEP, not the ongoing CDEP workforce.

Another benefit to Papunya Community Council of having CDEP has been its ability to employ an additional administrative/managerial staff member, the CDEP Coordinator/Administrator. This staff member has become something of an assistant council clerk and also, to some extent, an extra outdoor works supervisor. This has increased the capacity of the Papunya Community Council to supervise general staff, including CDEP employees, and to undertake works, but not to anything like the extent of being able to fully occupy 50 CDEP employees.

Papunya Community Council's inability to fully utilise and challenge an additional workforce of 50 CDEP participants has been worth analysing in some detail. However, it should not be viewed too negatively. One of the most common comments made by ATSIC administrators with experience of CDEP elsewhere was that in many remote communities CDEP had become not much more than an alternative income support arrangement. Papunya was clearly doing better than that, even if it was not fully utilising and challenging all its CDEP participants in work activities. To conclude this section of the report, I will however, make a couple of suggestions about how Papunya might be able to improve its utilisation of its CDEP workforce.

The first suggestion would be to strengthen the team structure of CDEP, with clearer teams and team leaders than at present. Working in teams consisting of rough age and gender peers can keep CDEP work a pleasant social activity and make it relatively attractive compared to the other, predominantly non-work activities going on among Indigenous adults in these communities.

Team leadership provides a way of engaging older with younger people. Attitudes towards CDEP in both Papunya and the other communities are age-structured in their nature. Older people often express a desire for CDEP as a way of giving the younger people something to do. But younger people are not so sure, with some expressing support for CDEP as a way of having more to do and others preferring the freedom of current income support arrangements. Older people often also express a desire to introduce younger people to activities through CDEP which they personally find rewarding, such as music or art. Through a stronger team structure and the clearer identification of team leaders, Papunya CDEP could potentially both keep work activities more social and attractive for age and gender peers and build stronger links across the generations.

A further suggestion would be to clarify through Council decisions that CDEP can indeed accommodate other activities of importance to community members, such as sorry and ceremony business and the taking of holidays. One interviewee at Papunya asked whether she would continue to get CDEP pay during holiday periods and several asked the same question in relation to sorry business, a frequently recurring and unpredictable event in Aboriginal communities. Recipients of social security pensions and allowances in remote Aboriginal communities can generally count on continuity of these payments during such times. CDEP participants need to be able to also, otherwise CDEP is not very attractive in comparison to being on social security pensions and allowances. In light of these two suggestions, two more recommendations are made.

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**Recommendation 3.** That Papunya Community Council strengthen the team group and leadership structure of its CDEP.

**Recommendation 4.** That Papunya Community Council clarify through Council decisions that CDEP participants will continue to be paid during annual holidays, ceremony and sorry business and other legitimate, identified Council-endorsed events and activities.

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### **Ikuntji: Less knowledge, starting small, a service agreement**

Structured-questionnaire interviewees at Ikuntji did not have quite as good a knowledge of CDEP as those at Papunya. Only 12 of the 20, or 60 per cent, knew instantly and without further explanation what CDEP was and only 10, or 50 per cent, knew clearly and unequivocally that CDEP was instead of Newstart and Youth Allowance, required participants to work part-time and gave communities some extra money as well as wages to support work activities with equipment and other costs.

This lesser level of knowledge about CDEP at Ikuntji is probably largely explained by less direct involvement with CDEP. Only two of the interviewees at Ikuntji, or 10 per cent, had worked on CDEPs in the past, one at Hermannsburg and one at Galiwin'ku. Twelve interviewees, however, or 60 per cent, could name other communities in the area with CDEP and ten, or 50 per cent, named Papunya.

Clearly there was a good low-level awareness of CDEP at Ikuntji, but not so much high-level detailed knowledge and experience.

As mentioned in the introduction, Ikuntji Community Council had at the time of this study just been offered 20 new places on Papunya's CDEP with a projected start-up date of October 2001. On the advice of its Council Clerk, who was reluctant to take on too great an expansion of the workforce, Ikuntji Community Council indicated to ATSIC that they would probably only wish to take up 12 CDEP participant places at that time, but that they might want to take up more of the 20 places offered in the future.

Ikuntji Community Council is clearly adopting a rather different approach to CDEP than did Papunya Community Council. Rather than developing grand plans and taking on a major increase in the council workforce, Ikuntji is attempting to start small. This should make it easier to find purposeful work for CDEP participants and to provide them with appropriate levels of supervisory and administrative support. There is even talk at Ikuntji of involving CDEP participants in accredited training programs related to their work activities.

The Ikuntji Community Council does not anticipate the need for additional administrative/managerial or technical staff recruited from outside the community to assist with this level of community involvement in CDEP. The Council Clerk has indicated his willingness to take on the administrative/managerial aspects of CDEP within his existing role and with the assistance of his office manager wife. The Council Clerk's own past experience of CDEP, plus the small number of CDEP participants envisaged at Ikuntji probably make this a feasible approach.

It seems to be fairly well understood and accepted within the Ikuntji Community Council that the CDEP participants based at Ikuntji will formally be employees of Papunya Community Council, as it is this organisation which is the recipient of the CDEP grant. Views about whether Ikuntji and Papunya can, in fact, successfully share a CDEP appear from the interviews to be somewhat more mixed.

Ten, or 50 per cent, of the structured-questionnaire interviewees at Ikuntji clearly indicated that they thought Ikuntji could work with Papunya on CDEP without any great problems, and some suggested that Ikuntji could learn from Papunya's past experience. Other interviewees, however, were somewhat more doubtful, ranging from those who felt unsure whether Papunya and Ikuntji could share a CDEP to those who definitely thought they could not. Some of these more doubting interviewees made insightful comments about the potential for conflict and disagreement inherent in sharing a CDEP. One suggested that Ikuntji would not be able to secure the use of Papunya's new tractors, bought with CDEP start-up money, and that this would cause fights. Another said that Papunya would have to understand that Ikuntji would develop its own rules for CDEP, which might not be the same as Papunya's. A third thought that while Ikuntji might be able to share with and learn from Papunya in the short term, in the longer term Ikuntji ought to be able to take over CDEP for itself.

Sharing a CDEP between communities does involve considerable potential for conflict and disagreement. It is desirable, therefore, to be as clear as possible at the outset what is expected of each of the sharing parties and to have mechanisms for renegotiating and reaffirming those understandings over time. In pursuit of this ideal the Council Clerk at Ikuntji has already suggested to the Council that they seek a formal written agreement with Papunya Community Council over how the CDEP participants based at Ikuntji will be serviced by the two community councils.

The main things that the Ikuntji Council Clerk is seeking from a service agreement are:

- a known budget for on-costs associated with CDEP workers based at Ikuntji;
- an ability to order and acquire equipment and materials for CDEP workers based at Ikuntji without the need to work through Papunya's order and acquisition system; and
- that the ownership of any such materials and equipment acquired for CDEP participants based at Ikuntji clearly vests with Ikuntji Community Council.

These seem reasonable objectives for a service agreement, which should, when in place, substantially reduce the potential for conflict between Ikuntji and Papunya over the sharing of CDEP.

The Ikuntji Council Clerk appears to have in mind an agreement which would specify that a certain number of dollars per month of CDEP on-cost money per participant based at Ikuntji would be passed from Papunya Community Council to Ikuntji Community Council. The current national annual on-cost allowance per CDEP participant is around \$3,100, although in allocating this money to individual CDEPs, ATSIC Regional Councils have some discretion to grant some CDEPs more and some less. Papunya has, in fact, had an allocation of on-cost money considerably above the formula during its early months of CDEP, and perhaps Ikuntji could expect likewise. However, a figure around the national formula, corresponding to about \$260 per participant per month, may be a useful starting point for negotiations. This would mean that were Ikuntji to take on 12 CDEP participant places via Papunya's CDEP, it would also be assured of a monthly on-cost income of \$3,020 with which to service these CDEP participants with work materials and equipment. Some adjustment to this figure may need to be made in recognition that Papunya Community Council will probably end up paying the workers' compensation insurance for these CDEP participants, as they will formally still be its employees.

As part of this service agreement the Ikuntji Council Clerk is also suggesting that the Ikuntji Community Council would agree to provide all equipment and materials for CDEP participants based at Ikuntji and make no calls on equipment or materials based at Papunya. This would, in fact, be a fairly generous and attractive deal for Papunya, as Ikuntji would be denying itself access to a

considerable amount of Papunya Community Council equipment which was acquired with CDEP start up funds, as noted above. But since some interviewees at Papunya were concerned with the prospect of having to share their newly acquired equipment with other communities, this sort of agreement might deal quite effectively with these concerns at Papunya as well.

Ikuntji could itself ask for a CDEP start-up grant with which to acquire some larger items of equipment and materials for its CDEP participants. However, since ATSIC will probably view Ikuntji's new CDEP placements as just an expansion of Papunya's existing CDEP, rather than the beginning of a new CDEP, Ikuntji is perhaps unlikely to be given much of a hearing from ATSIC on this. Ikuntji could, as an alternative, quite reasonably push for a higher initial monthly per participant on-cost transfer from Papunya in order to compensate for not having access to equipment purchased with Papunya's CDEP start-up grant.

A formal written agreement between Ikuntji and Papunya community councils regarding the servicing of CDEP participants based at Ikuntji would seem a useful way of lessening the potential for conflict inherent in sharing a CDEP. The details of such a service agreement would clearly need to be negotiated between the two councils, and would also need to be acceptable to ATSIC. However the above discussion may provide some ideas about what might be appropriate and workable. A further recommendation of this report is, therefore, as follows.

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**Recommendation 5.** That ATSIC support the idea of a written agreement between Ikuntji Community Council and Papunya Community Council as a way of dealing with issues about how CDEP participants based at Ikuntji are to be serviced with respect to matters such as materials, access to equipment, on-cost support and workers' compensation insurance.

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If a written agreement between the councils about the servicing of CDEP participants based at Ikuntji cannot be arrived at, then perhaps other mechanisms for joint management will need to be examined, such as a joint CDEP management committee. Such other mechanisms may not however reduce the potential for conflict as much as a written service agreement, as Papunya will always have the advantage of being the formal grant recipient. A formal written agreement would seem almost essential to Ikuntji's participation in the Papunya CDEP.

The Ikuntji Community Council's approach to CDEP, of only initially taking on a small increase in its workforce, is to be commended and supported. It increases the likelihood that CDEP participants will be given purposeful work and training, and adequate supervisory and administrative support. It should be supported by ATSIC at both the regional and national levels. A further recommendation of the report is, therefore, as follows.

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**Recommendation 6.** That ATSIC commend and support Ikuntji Community Council in its policy of only taking on a small number of CDEP participants to whom it feels it can give purposeful work and adequate administrative and supervisory support. That ATSIC also support Ikuntji in its future efforts to involve these CDEP participants in accredited training related to their work activities and to take on further small numbers of CDEP participants when and if the Council feels it can.

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### **Watiyawanu: Some interest if separate, considerable knowledge**

Watiyawanu community showed some interest in the possibility of having CDEP, but was very clear that it did not want to share a CDEP with Papunya. It wanted its own separate CDEP operating through the Watiyawanu Community Government Council. This unequivocal message was conveyed both through an informal gathering of councillors convened to discuss the research and through the responses to structured-questionnaire interviews.

Fifteen interviewees at Watiyawanu, or 75 per cent, indicated clearly that they would prefer their community to have its own CDEP, rather than share with Papunya. Ten interviewees, or 50 per cent, indicated that they thought sharing simply could not be done, and many of these anticipated arguments over trucks and tractors and levels of spending in the different communities. One interviewee linked talk of sharing CDEP with the proposed amalgamation of the four community councils involved in this study under the Northern Territory government's local government reform agenda. This reform proposal has been promoted for over two years now and evoked the following comment from the interviewee: 'We bin talk about amalgamation long time. We don't want that.'

Watiyawanu's rejection of the idea of a shared CDEP was not based on a lack of knowledge of CDEP itself. Fourteen interviewees at Watiyawanu, or 70 per cent, clearly knew what CDEP was without further prompting and 11, or 55 per cent, knew quite a bit about the way in which it operated. Ten interviewees, or 50 per cent, could also name other communities nearby with CDEP, such as Papunya, Yuendumu, Hermannsburg and Laramba (see Fig. 1). So, as in the other communities, knowledge of CDEP at Watiyawanu was quite considerable.

Four interviewees at Watiyawanu, or 20 per cent, thought that the community should not bother looking at the possibility of CDEP and should just stick with Centrelink payments. One of these noted that CDEP was 'little money', sometimes even 'less than sit-down money', thus displaying knowledge not only of the link between CDEP and Centrelink payments, but also of the effect that 'no work, reduced pay' policies adopted by community councils can have on income levels derived from CDEP. The possibility of these policies being adopted is clearly a significant deterrent for some people wanting either themselves or their communities to go onto CDEP.

Most interviewees at Watiyawanu were however still quite interested in the idea of having CDEP in their community. Eight, or 40 per cent, indicated they would like to have CDEP, while another eight simply indicated that they were 'not sure', perhaps wanting further information about what it was they were being offered before making up their minds. A further recommendation of this report is therefore as follows.

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**Recommendation 7.** That ATSIC regional office in Alice Springs arrange to consult further with Watiyawanu on the possibility of going onto CDEP on the clear understanding that there is some level of interest in the community, but only if a Watiyawanu CDEP can be separate from Papunya's.

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The geographic scope of a separate CDEP at Watiyawanu could itself raise issues of inter-organisational cooperation, for unlike the other communities in this study Watiyawanu still has an outstation resource agency separate from the community council. The research for this study was conducted in consultation with the Watiyawanu Community Government Council, which is formally responsible only for the central community. However, it might be possible for the Watiyawanu Community Government Council and the outstation resource agency based in Watiyawanu to work together on a CDEP, which would in its own way be both inter-organisational and multi-locational. A further recommendation of this report is therefore as follows.

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**Recommendation 8.** That in conducting consultations at Watiyawanu on the possibility of a CDEP, ATSIC explore the issue of cooperative involvement of both the Watiyawanu Community Government Council and the outstation resource agency based in Watiyawanu.

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Questions in the structured-questionnaire interviews about what CDEP participants might do at Watiyawanu elicited the usual sorts of responses: that is, cleaning up rubbish, collecting firewood and painting and fixing houses for the men, cooking, aged and child care for the women and, more vaguely and gender neutrally, working with youth to keep them away from petrol sniffing. This is in a sense just an expansion of the sorts of things that already go on in the community under the auspices of the Council and other organisations. The Watiyawanu Council Clerk indicated that were the numbers of local people involved in these sorts of activities in the community to be much increased, there would also need to be some increase in numbers of supervisory, technical and managerial support staff, probably recruited from outside the community. This issue should also be anticipated by ATSIC in conducting consultations at Watiyawanu on the possibility of CDEP being introduced there. It is in many ways just another version of the central question of how to provide CDEP participants with work activities which are purposeful and have adequate supervisory and administrative and managerial support. As we have seen above, the larger the

number of CDEP participants taken on by community councils, the more pressing this issue becomes.

### **Walungurru: Less interest, considerable knowledge, other priorities**

Interviews at Walungurru revealed, as in the other communities, considerable knowledge of CDEP, but considerably less interest in having CDEP in the community. Eight structured-questionnaire interviewees at Walungurru, or 40 per cent, indicated that they thought the community should just stick with Centrelink payments, rather than look at the possibility of having CDEP. Ten interviewees, or 50 per cent, indicated that they would not personally want to work on CDEP, and some of these indicated that they did not think many other people would want to work on CDEP either. Five interviewees, or 25 per cent, indicated that they would like the community to have CDEP and would be interested in working on it themselves.

This fairly low level of interest in CDEP was not, however, the product of a low level of knowledge. Twelve of the structured-questionnaire interviewees at Walungurru, or 60 per cent, knew, unprompted and without further explanation, what CDEP was and ten, or 50 per cent, knew more explicitly that it was instead of Newstart Allowance, asked people to work, and involved some extra money for equipment and other work-related costs. Twelve interviewees, or 60 per cent, could also name other communities in the area with CDEP, with Papunya to the east and Kiwirrkurra to the west in Western Australia being the most commonly mentioned.

One of the interviewees at Walungurru was in fact a CDEP participant from Kiwirrkurra, who was currently camping at Walungurru. Kiwirrkurra was flooded out in March 2001 and its residents are all still camping elsewhere, including some 30, as estimated by this interviewee, who were at Walungurru at the time of the study. These Kiwirrkurra residents were clearly one current source of knowledge about CDEP in Walungurru. However, knowledge of CDEP generally seemed to go considerably beyond what might have been gleaned from these residents from Kiwirrkurra.

On the issue of sharing with Papunya, only three interviewees at Walungurru, or 15 per cent, thought this could be done. Most of the others anticipated problems with the idea of sharing a CDEP with Papunya or were simply uninterested in it. Two or three were quite hostile to the idea. This level of hostility to and lack of interest in the idea of sharing with Papunya probably reflects relations between the communities over the last 40 years. Many people who are now resident at Walungurru, or their parents, were encouraged by government officials to move east to Papunya in the 1960s. Over the next few years, these people did not find the experience of living at Papunya all that enjoyable. Walungurru residents have since spent the last twenty five years moving back west. They are still somewhat suspicious of Papunya as a regional centre of non-Indigenous governmental

power and they do not entirely trust that a CDEP based at Papunya would in fact be fully shared with them. As one interviewee at Walungurru put it, most of the CDEP money would be spent at Papunya with ‘only little bit here’.

The first priority at Walungurru would seem to be to try to stabilise the Walungurru Community Council administration. For many years the Council has had trouble retaining key administrative staff. Since November 2000, when a Council Clerk of three years standing left, Walungurru has had four Council Clerks in eight months, and it is not at all clear yet that the latest incumbent will stay on a longer term basis. It is almost impossible to think about introducing a significant expansion in the Walungurru Community Council workforce and the associated administrative and supervisory tasks of CDEP without first stabilising council administration. Walungurru seems to need, as its first priority, a general local governance stabilisation program which would develop some better understandings between council constituents and administrators.

Even once the administration of Walungurru Community Council is stabilised, there will still be the issue of interest to be dealt with in any proposed introduction of CDEP to Walungurru. As noted above, interest in being involved in CDEP at Walungurru is not very great and any mention of sharing with Papunya reduces that level of interest even further. Two further recommendations of the report are, therefore, as follows.

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**Recommendation 9.** That any further consideration of the possibility of having CDEP at Walungurru be deferred until it is clear that a more stable pattern of Council administration has been re-established, including the appointment of a longer-term Council Clerk. That ATSIC direct its current efforts in relations with Walungurru to assisting this stabilisation process in Council administration.

**Recommendation 10.** That any future consultations with Walungurru on the possibility of having CDEP in the community be undertaken on the understanding that there was considerably less interest in Walungurru in being in CDEP in June and July 2001 than in any of the other three communities involved in this study, and that there was little or no interest in sharing CDEP with Papunya.

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## **CDEP size: an alternative analysis**

As noted at the outset, CDEP size has recently been seen as an issue of some importance within ATSIC. A push towards larger, regional, multi-locational, corporate CDEPs has emerged, with an emphasis on arguments about economies of scale in relation to the on-cost components of CDEP funding and, in particular, the employment from within that funding of CDEP Coordinators/Administrators. In this final section of the report, I offer an alternative analysis of issues relating to CDEP size, at least in relation to the sorts of communities involved in this study, that is, the remote Aboriginal communities of sparsely settled northern and central Australia. This analysis suggests that current problems with CDEPs

in these communities may have more to do with their being too big than too small. As a consequence, it also suggests some possible changes to CDEP rules and funding arrangements that could lead to smaller rather than larger CDEPs, at least in terms of participant numbers.

As noted at the beginning of this study, in the absence of CDEP, remote Aboriginal communities in sparsely settled northern and central Australia typically have only a very small proportion of their Indigenous adult population in employment. CDEP aims to raise that proportion in employment, but by how much it can and should do so is an important issue which bears directly on CDEP size. In the early days of CDEP there was an attempt, through policy, to achieve full employment, albeit part-time, in CDEP communities (Sanders 1988). No one in a community with CDEP was to be on social security unemployment payments. This led to some very large CDEPs, relative to community size, in remote Aboriginal communities.

As time has gone on, the idea that CDEP should absorb all unemployed people in a participating remote Aboriginal community has waned. CDEP now generally exists alongside social security unemployment payments and has, to a considerable extent, to compete with unemployment payments when attracting its participants. This has allowed smaller CDEPs to emerge, relative to community size. But there are still some aspects of CDEP rules and funding arrangements which encourage community councils to take on more CDEP participants than they can realistically keep busy with purposeful work, while also making it hard to compete with unemployment payments in attracting participants.

One aspect of current CDEP rules and funding arrangements which encourages this trend is on-cost funding. As noted above, this is allocated on a per participant basis, with some variation around a national formula of \$3,100 per participant. This figure is widely argued among CDEPs to be insufficient for the task of providing on-cost support (see e.g. the many community perspectives on CDEP in Morphy & Sanders 2001). However one way to effectively increase the figure is for community councils to take on more CDEP participants than can realistically be kept occupied and then to let some of those participants become non-workers. On-cost funding can then be concentrated on the lesser number of CDEP workers in larger amounts.

The push towards larger CDEPs effectively encourages this on-cost strategy. But it also ensures that significant numbers of CDEP participants will end up by not being engaged in purposeful work activities. These participants may, through the effect of 'no work, reduced pay' policies frequently adopted in communities, also end up receiving less income than they would on social security unemployment payments.

These income and employment outcomes from large CDEPs in remote Aboriginal communities are not particularly desirable. But they are in many ways

encouraged by the current on-cost rules and the push towards generally larger rather than smaller CDEPs. An alternative approach which provided more adequate on-cost support for CDEP workers and encouraged all CDEP participants to be actively engaged in work activities would require quite different rules and funding arrangements, while also perhaps encouraging the establishment of smaller rather than larger CDEPs.

Such alternative rules and funding arrangements would probably need to provide a base level of CDEP wages funding which was not just equivalent to social security unemployment payments, but substantially above them, perhaps linked to national training wages. They would also need to provide for increased on-cost funding, either on a per participant basis, or as an underlying flat rate per CDEP. An alternative set of rules should probably also direct community councils that they should not take on more CDEP workers than they can keep busy with work activities and that, in adopting 'no work, reduced pay' policies, they ought not to reduce the pay of CDEP participants who are not actually working below the level of social security income support entitlements.

Imagine, for example, that CDEP wages and on-cost funding per participant was increased by half, and that to compensate for this increase while keeping the overall budget for CDEP the same, the numbers of participants in CDEP was reduced by a third. This new set of CDEP rules and funding arrangements would clearly provide the opportunity for top-up wages above the basic social security unemployment payment level for all CDEP participants from within the base level of wages funding. And it would also provide for a more adequate level of CDEP on-cost support of around \$4,650 per participant, some of which could perhaps be commuted to a flat-rate underlying on-cost grant per CDEP. All CDEP participants could reasonably be expected to work for this wage perhaps three days per week, with adequate equipment, or alternatively they could expect to fall back onto a lower basic income within the social security system. Individual CDEPs would be significantly smaller in terms of participant numbers, but not all cuts in individual CDEP participant numbers would necessarily have to be by a third. Some CDEPs may have already kept their participant numbers down in an attempt to provide all participants with purposeful work activities, and others may have built up their numbers unrealistically to benefit from on-cost funding.

The alternative rules and funding arrangements outlined above are not supposed to be definitive. They are an attempt to show how current rules and funding arrangements effectively encourage large CDEPs with significant numbers of non-working participants, and how an alternative set of rules could provide some incentives to move away from this pattern to smaller CDEPs, in terms of participant numbers, with larger proportions of those participants actually undertaking purposeful work. A further recommendation of the report is therefore as follows.

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**Recommendation 11.** That ATSIC and the Commonwealth Government give consideration to changes in CDEP rules and funding arrangements that would raise CDEP wages funding per participant somewhat above the level of social security unemployment payments. That CDEP on-cost funding also be increased, possibly on a per participant basis but also possibly through a flat-rate grant per CDEP. That as a consequence of these changes, to keep the budget for CDEP the same, numbers of participants on CDEP be reduced.

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This alternative analysis of CDEP size has focused thus far on CDEP as a single ATSIC program. Discrete Aboriginal communities in sparsely settled northern and central Australia typically, however, also receive ATSIC funding under other programs as well, such as the Community Housing and Infrastructure Program. Community councils also often receive funding from other government agencies, such as the Northern Territory government's departments of Local Government or Transport and Works. CDEP is often experienced by community councils essentially as an increase in the funds and the workforce that are available for undertaking basic community infrastructure and housing maintenance and the delivery of community services, as reflected in CDEP work activities. Once this is recognised, it is possible to think about issues of CDEP size in somewhat different ways.

It matters less, for example, that on-costs for a small CDEP are insufficient to recruit a CDEP Coordinator/Administrator if it is acknowledged that CDEP will be mixed in with other community council activities and responsibilities. There is, in fact, no reason why there need be a separate CDEP Coordinator/Administrator in many community councils. With small CDEPs, Council Clerks ought to be able take on the administrative and managerial aspects of CDEP as part of their general duties. The on-cost income gained by community councils in taking on a few CDEP participants could simply be used to generally supplement other resources available for council administration, materials and equipment, while still being separately identifiable for purposes of financial accountability. A further recommendation of this report is therefore as follows.

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**Recommendation 12.** That ATSIC recognise the general way in which CDEP is utilised in discrete remote Aboriginal communities in sparsely settled northern and central Australia and that as a consequence of this, ATSIC encourage CDEPs with small participant numbers which might not necessarily employ a separate CDEP Coordinator/Administrator.

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To conclude this alternative analysis of CDEP size, I return to the example of Papunya. Even after the Community Council had taken on a large number of CDEP participants—for whom it has had trouble in providing purposeful work—less than half the 106 Indigenous adults in Papunya on Newstart and Youth Allowance as at April 2001 (see Table 1), have been absorbed into nominal employment. In remote communities, even large CDEPs with unrealistic work

activity plans cannot increase the proportions of adults even nominally in employment to anything like the proportions experienced in other communities around Australia. Remote Aboriginal communities in sparsely settled northern and central Australia deserve to have policy debate and formulation conducted in relation to the reality of their own economic and social circumstances, rather than in constant comparison with non-Indigenous and Indigenous circumstances elsewhere. This analysis, which argues for smaller CDEPs in these communities, with fewer participants but more generous funding, should be seen as a contribution to such debate. It may well be that, for these communities, smaller rather than larger CDEPs would be better.

## **Afterword**

The text above was written in early August 2001. As at early November 2001, Ikuntji Community Council had been unable to conclude a service agreement with Papunya Community Council which was acceptable to ATSIC and within its guidelines for placement of CDEP with third party employers. CDEP has not, therefore, started at Ikuntji. Efforts to get it started are, however, continuing, though perhaps in a more simplified form with only eight participants and one work activity, and with on-costs billed directly to Papunya. Papunya, meanwhile, has by default inherited the 20 CDEP participant places offered to Ikuntji, and so now has 70 CDEP participant places to fill and in which to keep people occupied. Papunya has, however, had some success in starting a building/technical worker program in conjunction with the Centre for Appropriate Technology in Alice Springs. This has helped give a work activity to some CDEP employees. Walungurru has now had five Council Clerks come and go since November 2000 and so continues to have chronically unstable council administration. Watiyawanu is continuing to insist that if it were to have CDEP it would have to be separate from Papunya's, and as ATSIC is not at the moment interested in increasing the number of CDEPs in the region, no further discussions have occurred.

On the issue of the more general discussion of CDEP size in remote Aboriginal communities in sparsely settled northern and central Australia, I have had a number of comments and reactions from readers. Several have commented that I have not really considered the possibility of CDEP in these communities becoming once again a thorough-going alternative to social security unemployment payments such as Newstart and Youth Allowance. This is correct. These other payments have, over the last 20 years, spread into these communities so widely that I had judged it both politically and administratively unfeasible to return to such a situation. CDEP would have to be expanded enormously in order to eliminate social security unemployment payments from such communities and even then it might not do so completely.

Another comment was that even if CDEP in these remote discrete communities is for most participants not much more than an alternative income support arrangement, it is nonetheless an importantly different income support

arrangement to general social security payments, coming as it does through the local Aboriginal community council and carrying with it some expectation of participants making a community contribution. This too is correct, and is in many ways a more telling comment. It suggests the importance of having the immediate community involved in the mutual or reciprocal obligation of receiving income support, rather than, or in addition to, a distant central government agency. This is in line with Noel Pearson's recent advocacy of welfare income being linked to locally implemented 'reciprocity' principles for Indigenous communities (Pearson 2000: 86–7) and with current experiments with Community Participation Agreements in remote Aboriginal communities as part of the provision of income support (see Smith 2001). CDEP can be seen as an important instance of 'jurisdiction sharing' between central, largely non-Indigenous and local, largely Indigenous governments. CDEP helps local Indigenous governments develop and exercise their local public authority, even if they cannot purposefully occupy all CDEP participants in structured employment activities. Supporting local Indigenous authority-building is in itself an important goal and outcome of CDEP (see Rowse 2001).

I also regard it as unlikely, on reflection, that any government would take up the idea of increasing CDEP base wage rates above those of unemployment payments. The Howard government (newly elected to another term) has been trying to encourage CDEP participants in urban areas to move off CDEP into general employment (see Champion forthcoming), and increasing CDEP base wage rates would clearly be counter to this aim. As much as it might seem desirable to analyse the circumstances of remote Aboriginal communities without reference to circumstances elsewhere, in actual policy analysis this is not possible. There are always interactions in Indigenous affairs policy analysis between remote and urban, and Indigenous and non-Indigenous contexts. Developing the jurisdiction sharing aspects of CDEP may well be a more fruitful way of reforming the scheme than increasing its wage rates.

## Notes

1. On reading the report, the Papunya Council Clerk, Steven Hanley informed me that decisions about the application of the 'no work, reduced pay' policy were already the responsibility of a Council sub-committee and that the CDEP Coordinator/Administrator's task was simply to reflect these decisions in the administration of the payroll.
2. Limited top-up wages for a few CDEP workers can also be generated by 'no work, reduced pay' policies being applied to others CDEP workers. This is not, however, an overall source of top-up wages and is somewhat counter productive in terms of the financial incentives being applied to all the participants in a CDEP.

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