

## COMMUNITY DEVELOPMENT EMPLOYMENT PROJECTS SCHEME

### *Motion*

Resumed from 15 November on the following motion moved by Hon Shelley Archer -

That this house condemns the federal government for its lack of appreciation of the detrimental impacts that will arise from the changes to the community development employment projects scheme - CDEP - on Aboriginal people and other members of the community in regional Western Australia.

**HON VINCENT CATANIA (Mining and Pastoral)** [2.06 pm]: When the debate on this motion was interrupted last week, I was referring to a report titled "Overcoming Indigenous Disadvantage", which was released in 2005 by the Department of Indigenous Affairs. I quoted some of the statistics from the report that are valuable in determining the reasons that the community development employment projects scheme should remain in place. The report compares the household and individual income of indigenous people with non-indigenous people and states -

In Western Australia in 2001, 43% of Indigenous people had a gross weekly individual income of less than \$200. The corresponding proportion for the non-Indigenous population was 28%.

In the same year, the equivalised household income for Indigenous people in Western Australia was \$268, compared with \$501 for non-Indigenous Western Australians.

The home ownership statistics are impressive and highlight the reasons that the CDEP should continue to operate. The report continues -

The level of home ownership in Western Australia was significantly greater among non-Indigenous people (74%) when compared with Indigenous people (19%).

It illustrates the huge gap between indigenous and non-indigenous people. The report includes further statistics that clearly indicate that the CDEP scheme should be retained. I refer to the area of economic development and participation development. I found these statistics rather surprising. The report states -

#### *Employment by sector, industry and occupation*

Full-time employment rates in the non-Indigenous population are around 1.6 times higher than in the Indigenous population, with greater differences evident in the 20-24 years and 25-34 years age brackets. Indigenous people tend to be more likely to be employed in lower skilled occupations, a factor arising from lower levels of education and training.

#### *CDEP participation*

CDEP participation accounts for over a quarter of the Western Australian Indigenous labour force and can be above 70% in remote areas.

#### *Long term unemployment*

Long-term unemployment creates social and economic risks for families and individuals. Rates of long-term unemployment are highest for Indigenous people in Very remote areas.

#### *Self employment*

Western Australia has very low levels of Indigenous self-employment. Factors that may influence this include remoteness, as well as cultural perceptions about what constitutes being self-employed.

Those statistics indicate that the Howard government should not be moving in the direction of abolishing the CDEP scheme. They highlight also the importance of and the need for the community development employment projects scheme. Last week when I spoke to this motion, Hon Helen Morton interjected and asked -

What is having a huge impact? This program does not start until January next year.

The discussion paper that Hon Shelley Archer referred to was called "Building on Successes", which was released in February 2005. Hon Shelley Archer rightfully criticised that paper for its inadequate consultation. As a result of the paper that Hon Shelley Archer referred to, changes to the CDEP were announced on 29 March 2006 and came into effect on 1 July 2006. Subsequent to that report, the Howard government released a discussion paper - it has a great heading - called "Indigenous Potential meets Economic Opportunity". What a great, warm and fuzzy feeling that heading gives us all! The only economic opportunity in it is for the Howard government.

**Hon Murray Criddle:** You should go to Queensland and look at what they are trying to do over there. Noel Pearson and his mates are having a bit of a go. It would do you well to go there.

**Extract from Hansard**

[COUNCIL - Wednesday, 22 November 2006]

p8548f-8565a

Mr Vincent Catania; President; Hon Ray Halligan; Hon Kim Chance; Hon Ken Baston; Hon Helen Morton;  
Deputy President; Hon Louise Pratt; Hon Robyn McSweeney

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**Hon VINCENT CATANIA:** If the member reads the discussion paper -

**Hon Murray Criddle:** I am talking about going to the community and having a look.

**Hon VINCENT CATANIA:** The member can go to communities in Western Australia and have a look.

**Hon Murray Criddle:** That is what I am saying. They are improving themselves in Queensland.

**Hon Helen Morton:** You are saying it is going to happen, but it has not happened yet.

**Hon VINCENT CATANIA:** I beg to differ. Has the member travelled around the Mining and Pastoral Region lately? What places has the member visited?

**The PRESIDENT:** Order, members!

**Hon VINCENT CATANIA:** I urge members to look at the effects of the changes to the CDEP scheme. The last time I spoke on this motion, I referred to Broome, where members can see the effects of the CDEP scheme no longer being implemented.

This discussion paper, which was released on 6 November 2006, proposed the abolition of the CDEP altogether in a number of regional centres, including Broome. The implementation of that proposal would enhance the issues that Hon Shelley Archer and I have brought to the attention of members of this house, including the lack of training and job opportunities; the migration of Aboriginal people from outstations to regional centres; and the overcrowding and housing issues, which would become even more critical. I urge Hon Helen Morton to see for herself the effect of abolishing the CDEP scheme. The inadequate consultation process that took place in the formulation of the "Building on Successes" discussion paper has been continued in the discussion paper titled "Indigenous Potential meets Economic Opportunity". That is the warm and fuzzy heading that the Howard government has come up with. As I said, that paper provides an economic opportunity for the federal government to shirk its responsibilities on indigenous affairs.

The Howard government is dealing with the supply side of the job market and seems to assume that the demand for workers exists and that all that the federal government must do is provide some training, after which the indigenous people will magically be able to take the jobs that are there waiting for them. In reality, the shortage of workers in the rural and remote areas is mainly for skilled and semi-skilled jobs. The level of training, if any, available to indigenous people to even meet the entry requirements for such jobs is virtually non-existent.

**Hon Murray Criddle:** Why is that? The Minister for Education and Training sits over there.

**Hon VINCENT CATANIA:** It is the federal government's responsibility to fund and assist the indigenous people who live in remote towns.

**Hon Murray Criddle:** It is our responsibility to try to have a plan to fix the problem.

**Hon VINCENT CATANIA:** The Department of Indigenous Affairs has issued a report that I urge the member to read, because he will see that it provides some important statistics.

**Hon Murray Criddle:** I am not arguing about that. I am saying that you must get out there and do something to fix it rather than whinge about it in here. If you either came up with a solution or even tried to find a solution, I would be happy.

**Hon VINCENT CATANIA:** The solution is to bring this matter to the attention of the people of Western Australia because it is a very important issue. I mentioned that the daylight saving debate sparked a huge reaction among the Western Australian community. This issue is much more important, yet the federal government has continued to shirk its responsibility.

**Hon Helen Morton** interjected.

**The PRESIDENT:** Order, member! Hon Vince Catania has the call. He took interjections from Hon Murray Criddle, which is fair enough. However, Hon Helen Morton decided to jump in over the top, which is not on.

**Hon VINCENT CATANIA:** When Hon Helen Morton interjected during the debate last week, she referred to the last of the remote area exemptions whereby people will have to actively seek work under Newstart. The exemption from having to actively seek work will be removed at the end of December 2006. That is irrelevant to the CDEP scheme participants in remote areas who are not subject to the present 12-month time limit, and who will continue to access the CDEP scheme after it is abolished for new entrants in the regional centres. The participants in the CDEP scheme are being assessed by Centrelink, which requires them to sign a participation plan setting out their plan to move into non-CDEP employment. The federal government is pushing its responsibility for the CDEP participants off its back. I referred to that as cost shifting when I last spoke on this motion. The Howard government will then put pressure on the states to do the work of the federal government

to try to provide ways to tackle this very important issue that affects the lives of many people. The Howard Government lacks appreciation of the detrimental impact that the changes to the CDEP will have on Aboriginal people and members of the community in regional Western Australia. It will have a dramatic effect. I urge members opposite to lobby their federal counterparts to try to prevent these changes and to provide a solution rather than to engage in cost shifting. The federal government picks and chooses what it wants to take. It wants to take away the states' industrial relations powers but it wants to shift the cost of indigenous affairs onto the states. It is obvious that Howard is picking and choosing the issues that he thinks he can win and he is pushing the states to be responsible for the issues he does not think he can win. We can clearly see what the Howard government is trying to do. Members opposite can say that this is a wonderful thing; it is not a wonderful thing.

**Hon Murray Criddle:** No-one said it is a wonderful thing. On the contrary, it is a very serious issue that we must resolve.

**Hon VINCENT CATANIA:** I agree. That is why I am urging members on the other side of the house, who are of the same political persuasion as the federal government, to lobby the federal government to keep this very important project going to ensure that the federal government lives up to its responsibilities and does the right thing by the people whose livelihoods are suffering, and whose livelihoods will continue to suffer. The federal government has shirked its responsibility. In doing so, it is hurting the lives of many Australians. I fully support the motion moved by Hon Shelley Archer and I urge all members to support it.

**HON RAY HALLIGAN (North Metropolitan) [2.18 pm]:** I do not support the wording of the motion. It has been suggested that the federal government lacks appreciation of the detrimental impacts that might arise as a result of its decision to change the community development employment projects scheme. I am a little older than the previous speaker and can recall the days of Gough Whitlam. I was in Canberra at the time. I have seen what can happen with successive governments on issues such as this. I have said in this place previously that in more than 30 years, very little has changed; in fact, to a great extent absolutely nothing has changed.

**Hon Kim Chance:** It was Whitlam who introduced the regional employment development scheme, which I thought was very successful.

**Hon RAY HALLIGAN:** Yes - brilliant! The RED scheme was work for the dole. The Leader of the House can call it whatever name he likes. I did not argue against that scheme; it was a good idea. We are talking about Aboriginal people in the main, but the RED scheme also applied to metropolitan areas. The great majority of money was not spent in regional areas for Aboriginal people; most of it was spent in metropolitan areas all around Australia. I can recall some of the things that used to happen in Canberra in those days. I remember that it was after the events at Wave Hill in Western Australia that the government decided that Aboriginal people should be given the land.

**Hon Kim Chance:** Wave Hill is actually in the Northern Territory. It is Gurindji country.

**Hon RAY HALLIGAN:** Is it? I beg the minister's pardon.

It was suggested that the Aboriginal people be given the land. I had no argument with that. However, the Whitlam government then asked what they would do with it. Would they sit on it and do nothing? How would they generate income? Of course, the bureaucrats decided that because Wave Hill was a cattle station and because the Aboriginal people knew all about cattle - they had been stockmen for years and knew what a bull and a cow looked like - they could continue to run Wave Hill as a cattle station. No thought was given to how they would manage it. It was decided that the Aboriginal people would be given Wave Hill and that they would continue to run it as a cattle station, which is what they did. Rather than keeping most of it and giving them only a part of it to learn the ropes of management, they were given the whole lot - absolutely everything. Can members guess what happened? It is not too difficult to guess, is it not?

**Hon Kim Chance:** It had management failures.

**Hon RAY HALLIGAN:** Exactly. Successive governments have had problems with this issue. How do I know these things? I used to work for the Aboriginal Loans Commission. Although it was a separate entity, it had close ties with the Department of Aboriginal Affairs, as it was then known.

**Hon Kim Chance:** Incidentally, management failures on pastoral stations remain a problem. Tremendous schemes in Western Australia are addressing those issues. They have been recognised by the United Nations and have won the Prime Minister's silver award.

**Hon RAY HALLIGAN:** That may well be the case. I will tell members something about the Aboriginal Loans Commission. It provided funds for housing and for commercial, industrial and agricultural business ventures. At times I had to travel around the country to look at the businesses that had been established after the commission had given them a loan. The greatest difficulty associated with agricultural loans - I never got close

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enough to do an audit - was that they were managed by a firm of chartered accountants, not the Aboriginal people.

**Hon Kim Chance:** That is why they did not work.

**Hon RAY HALLIGAN:** As was demonstrated by the events at Wave Hill, putting money straight into people's hands, Aboriginal or otherwise, does not work. I will talk about the new enterprise scheme in Western Australia and the problems associated with that. A person will come forward and suggest that he could go out and make \$1 million because he is the best at what he does - I will use a mechanic as an example - based on the fact that he has worked for a certain mob for 25 years and he brings in all the work. Of course, it does not work that way. The same principle applies with these other issues whether or not we are talking about Aboriginal people. It comes down to the individual.

**Hon Kim Chance:** Without business skills and training, a business will fail no matter how good the technician is.

**Hon RAY HALLIGAN:** Agreed. That is absolutely correct.

Over the past 30 years - as well as, I am sure, 30 years prior to that - we have heard how Aboriginal people want to look after their own future. If I may, Mr President, I will digress slightly and talk about Papua New Guinea. Its indigenous people also wanted to look after their own interests and future. The difficulty was that we imposed on them three tiers of government - a local, provincial and national government. Thirty-one years after independence, they cannot afford that system. All I am suggesting is that often when we try to assist people, even our indigenous people, we do so using our way of thinking, and when things do not turn out in the manner we expected, we cannot understand why. Who is wrong in that instance? I firmly believe that we are at fault.

Another difficulty is that a lot of these people have never been asked exactly what they want and how they want to achieve it. Again, if they say that they want financial independence, the mind starts ticking over and we tell them what they need. We do not care what they want because we know what they need. If they cannot handle the concept that we have grown up with, we suggest that we are right and that they are wrong. There have been many problems. The difficulty is the fact that those problems exist today. Why is there no water in some of those outback settlements? Over the past 30 years billions of dollars have been spent, and yet some outback settlements do not have water. What is wrong with solar power? It is not that we do not have the money at the state and federal levels, and it is not as though money is not being spent. I will continue to ask, as I have done for many years, where the money is being spent and whether it is being spent in the best possible way. Nobody knows, nobody wants to tell and, unfortunately, I do not think that a great number of people care, otherwise they would have grabbed the issue by the throat and done something about it. There is no excuse - none whatsoever - for the situation that Aboriginal people find themselves in. State and federal governments are not completely at fault. The people who are having these things forced on them must stand up and say what they want. The difficulty is that we expect them to go down a particular path, and yet that requires experience. How does one know what one does not know? We can tell people the result we are trying to achieve; however, they do not necessarily know how to navigate the winding path that leads them to that end result. This is where more training is required. We hear repeatedly that Aboriginal people require more schooling and then we hear that they never turn up to school. Indeed, the truancy rate of Aboriginal children is through the roof. Because of that truancy rate someone says that the kids cannot use the swimming pool or play football unless they go to school. Others argue that we cannot do that to the poor little dears. We must be realistic about these things. If we really want them to understand the things that we, as individuals, might understand, they have to go down a particular path. Not everyone is the same, but they are not very different from us. Learning capacity differs from one person to another. Interests differ.

**Hon Vincent Catania:** Does the CDEP scheme not provide avenues for people in the indigenous community to gather some skills by working for it?

**Hon RAY HALLIGAN:** Only partially. Again, that is a part of our education program that I believe is faulty. I will refer to Papua New Guinea again. They did a lot of vocational education and training up there. It was recognised that there was no purpose in sending an indigenous person back to his village, where there was no road, electricity or running water, with a certificate, because there were also no jobs. If those particular people were to be educated, I had to recognise what they really required. They might have had a generator, a pump with which to pump water up from the river or other mechanical instruments, such as a chainsaw or things of that nature. It was felt that by setting up a vocational education centre, people could be taught things that they could use back in their villages. A vocational education centre was just a cement slab with water pipes and a bit of corrugated iron to keep the rain off; the temperature was good enough that walls were not needed. This system worked. Doctors could not be everywhere in Papua New Guinea, because places in the bush were difficult to get to. Therefore, they taught people. Admittedly, they were given limited information; they were not going to

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become surgeons. However, they became liklik doctors - "small" doctors. They were told to identify fevers, and they could dispense aspirin. If they had some idea that something was beyond what they knew and had been taught, they would get on the two-way radio and call for an aircraft to pick up the sick people and take them to a larger centre where there was a hospital. It was a matter of recognising the needs of the people, and not trying to bring the people up to a position and condition that they could never hope to attain in the next 30 or 40 years. I am not sure that we have gone down that path with our Aboriginal people.

**Hon Vincent Catania:** Do you think our remote communities should exist?

**Hon RAY HALLIGAN:** That is entirely up to the people, if that is what they want. Again, going down that particular path, look at the number of houses we have built.

**Hon Louise Pratt:** What if government policies force them out?

**Hon RAY HALLIGAN:** Like Wittenoom? No, we will go down that path later.

**Hon Louise Pratt:** Like CDEP.

**Hon RAY HALLIGAN:** No, like Wittenoom. The whole point is that we are often trying to force them into homes. We tell them that it is what they need; that everyone lives in a house, and it must be a four-bedroom, two-bathroom home. It is not necessarily what they want. We did exactly the same in Papua New Guinea.

**Hon Vincent Catania:** Many communities do function.

**Hon RAY HALLIGAN:** I am not denying that they do.

**Hon Vincent Catania:** They use the houses that are provided to them. However, the removal of the CDEP scheme will force them to leave their communities to seek work in major regional towns. That is the problem that occurs. On the fringes of these towns, there will suddenly be people who are trying to look for jobs and housing. The influx of people who are leaving the remote communities to find work following the removal of the CDEP scheme will create pressure on other resources of those regional towns.

**Hon RAY HALLIGAN:** That is no different from Papua New Guinea; they did exactly the same there. They went in for the bright lights and found that they had to have money, because that was the only way they could buy booze and clothing - unless they got them from friends. I can assure members, there is no difference. They went to the towns, not so much to find work, but to find money and what money could buy. It still comes back to understanding what the indigenous people are after. Hon Vince Catania is talking about the CDEP scheme. All that is is a way of giving them money and justifying it in our minds.

**Hon Vincent Catania:** They work for that money.

**Hon RAY HALLIGAN:** It is saying to people that one needs to be a plumber, one needs to be a carpenter and that someone else needs to be something else. Again, we are imposing. We are saying that if they do not want the work, they will not get the money.

**Hon Vincent Catania:** They have a choice to get the work. If they don't work, they don't get paid.

**Hon RAY HALLIGAN:** Plenty of people around Perth do not do any work, yet get plenty of money. That is a different issue entirely. All I am suggesting is that things have not worked since Hon Vince Catania has been on this earth. One needs to ask exactly why.

**Hon Vincent Catania:** However, we should not just abolish something. Perhaps we should work and try to improve the system.

**Hon RAY HALLIGAN:** Again, that is a problem. We need to analyse why it is not working rather than tinker around the edges, which is the suggestion. We must get in there and find out why it is not working. A lot more of that should be done.

**Hon Vincent Catania:** Perhaps you are right; perhaps we need some young blood in federal Parliament to come up with some new initiatives.

**Hon RAY HALLIGAN:** No, we need people out there in the field. Given Hon Vince Catania's initiative and contribution to this motion today - which was completely nil in providing solutions - what more could he do in federal Parliament?

**Hon Vincent Catania:** I am bringing attention to the members of this house that there is a serious issue.

**Hon RAY HALLIGAN:** No, no, no. We are looking for solutions, not parenthood statements. Time and again over the years, we have heard that this is what we need to do, that we need to look after indigenous people, that they deserve our support, and that they should not have to do this but they should be able to do that. That has

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been said since time immemorial. The end result is that the situation has not changed. Billions of dollars later and the situation has not changed. Someone must go in there and find out why it has not changed. I do not know, and I will never find out while I sit in this place. We need to go out there and, with an open mind, talk to as many of these people as possible.

**Hon Vincent Catania:** I urge the federal government to do the same, and use the proper consultation process.

**Hon RAY HALLIGAN:** I am not denying that. I have said before that governments of all persuasions have not found a solution; nor have they made the effort to find the solution. That is the upsetting part.

**Hon Vincent Catania:** I agree.

**Hon RAY HALLIGAN:** There are many people out there who need direction that they can follow.

**Hon Vincent Catania:** Politicians also need direction.

**Hon RAY HALLIGAN:** Hon Vince Catania is right. However, just knocking any government for changing things -

**Hon Vincent Catania:** Not changing; abolishing.

**Hon RAY HALLIGAN:** When they abolish, they usually put something in its place. There has to be something. When the dole was abolished, it became Newstart. The people in receipt of those moneys continued to receive that payment, irrespective of what it was called. I have no doubt that the people who are receiving this CDEP funding will receive other forms of money that will compensate them for their so-called loss. The member said that employment projects were associated with the CDEP funding. However, in many instances, people at the top of this particular tree have decided what is to be done and by whom. I have some strong feelings about where the money goes and the amount of time and effort being put into helping these people look for ways and means of supporting themselves and their families in the longer term.

**Hon Vincent Catania:** I totally agree with that.

**Hon RAY HALLIGAN:** It is particularly important that somebody get out there and sort it out. Sometimes, unfortunately, under governments, community-based organisations start to run rampant, and that happened under a previous state Labor government. They ended up with public service conditions. They were supposed to exist for only six months, but 10 years later they were still doing the same job. The only way to make them change direction was to abolish them. That is part of life. Anyone who has worked in the public service for any length of time, particularly in the departments involved in those types of areas, will understand that.

**Hon Vincent Catania:** Do you think that getting rid of the CDEP scheme is a way of getting rid of remote communities in Western Australia by stealth?

**Hon RAY HALLIGAN:** I do not think so, but I do not know. It is a federal issue, but I do not think that is the case. These communities have been there for donkey's ages; they have been there for 40 000 years. Are we going to change that in 12 months? I do not think so. However, I understand that quite often when people are moved out of a situation that we probably created, they end up in a comfort zone. They need money each week or fortnight and they will do this or that for it, and so they end up in a comfort zone. In fact, they do not try to step outside that comfort zone and do something for themselves; they remain connected to that umbilical cord. The people we are trying to assist may not be creating the problems, but the only way to remove the ones who are creating the problem is to remove everyone and start something else without the ones creating the problems. I will not give the member a lesson in what happens in the public service with restructuring and the like and how people end up with different position description forms so that incumbents cannot apply for the jobs that they have been doing for 10 years. However, these things happen. I am sure that some ministers will understand this. Hopefully, one day before the member is as old as his dad, he may become a minister himself. However, there are important things that the member needs to learn, and this may well be one of them. It is wrong to say that the federal government does not appreciate the detrimental impacts. I am sure that it will come up with something else to assist these people. As I said before, my concern is that we are still unsure whether what we are doing is in their best interests. It sounds good to us, but often we do not ask them; or, if we do ask them, we stare them in the eye, looking for the nod of the head and waiting for the yes response, because we are about to put the money back in our pockets. They tell us what they believe we want to hear, and that can be a problem.

I do not agree with the wording of the motion and therefore I cannot support it. One hopes that governments of all persuasions, whether it be the federal Liberal government or the state Labor government in Western Australia, decide to have a good look at what is being done, find some bright young Aboriginal people, particularly those with some schooling, and mentor them. Even then we will still have to be careful. I will give members another example from Papua New Guinea, because it could very well be replicated in Western Australia. Government officials went into a village not unlike some of the remote settlements that we have

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referred to, and said that it needed a store so that people could buy rice, tinned fish and things of that nature. They wanted to set up a cooperative. They knew what cooperatives looked like and how they operated, so this village was to have one and they asked for money. People had to hand over some money to establish the cooperative. The bureaucrats got builders to construct the building, organised the cargo, as it is called in Papua New Guinea, and stocked the shelves. What was it to do next? Who was to operate the store? It was a little difficult to ask the people in the village because they could not read or write and so would have had difficulty determining the change for purchases and things of that nature. What did they do? They picked one of the brightest young blokes who was going through school and they set up a cooperative college just outside of Port Moresby. Youngsters were sent to this cooperative college and they learnt all about bookkeeping and how to reorder stock and things of that nature. Then what happened? That young person went back to the village and ran the cooperative. He then realised that he was the only one who knew how it worked. He was the only one who had been to school and who could add up and read English. Nobody was looking over his shoulder and auditing the books on a monthly basis, and suddenly the stock started to deplete. The shelves became bare. Of course, members know all about business. If the shelves are bare, the till should be full of cash. However, in this case there was no money in the till. Where was the young person who had been employed to run the cooperative? He had disappeared with all the cash. There can be problems that we must be mindful of. It is no good pushing these people down a particular path unless they are comfortable doing so and realise and understand exactly what is happening. That will take time. It is a pity that it was not started 50 years ago. As I have said, we have insisted far too frequently that people do things as we do them and live in homes that we live in, and then we wonder why they shrug their shoulders and say that it was not what they wanted in the first place. That is most unfortunate. An enormous amount of work is still to be done at both a federal and state level and the sooner it is done, the better.

**HON KIM CHANCE (Agricultural - Leader of the House)** [2.48 pm]: I support the motion because it is almost axiomatic to say that the federal government has not appreciated the detrimental effects of the changes it made to the community development employment projects scheme in July this year. Hon Vince Catania has accurately related precisely what is happening in the Kimberley and in a number of areas throughout the state as a result of the failure of the federal government to appreciate at least one of the effects of the changes to the CDEP scheme; that is, the translocation of people from their own country into major regional areas. One of the points that we can all agree on is that one of the great tragedies for Aboriginal people in the north began with their translocation out of their own country and into regional centres. It was probably worst epitomised in the town of Fitzroy Crossing, which was never a living place for Aboriginal people, apart from perhaps the river people. It is now a place where three different language groups have been forced together. That has created real difficulties. One of the bright aspects of the future of Kimberley people - indeed, we would consider this happening in the Pilbara as well - has been over recent years their relocation back into the country through a number of different mechanisms. However we view what the effect of the changes to the community development employment projects scheme, it is entirely contraindicated by the good things that have happened through encouraging people to go back into their country. Hon Vince Catania made the point, which I do not need to labour, about the difficulties that local government authorities, such as the Shire of Broome, are faced with as a result of this translocation. When the cabinet met with the Shire of Broome only a week or so ago, the shire clearly enunciated the difficulties of these people, who have some significant problems of their own.

The real reason I stood to speak sprung from some of Hon Ray Halligan's comments, because I think he made some valid points with which we can all agree. The most obvious is that applying whitefella solutions and whitefella ambitions to Aboriginal people is bound to end in an unfortunate result, because their view of life is not the same as our view of life; indeed, no single group of Aboriginal people is the same as any other group of Aboriginal people, and it is the same for whitefellas. We all have different ambitions. To assume that people will readily adapt to our culture is again a recipe for disaster.

I rose to speak for one particular reason that springs from that. Hon Robyn McSweeney asked by way of interjection what the state is doing about it. That is a fair question. What is the state doing about it? One of the issues I have already touched on is that we have encouraged the movement back to the country. I refer again to what Hon Ray Halligan said about some of the federally initiated schemes, some of which did not work very well. They failed because of a lack of training in management. I can only speak with any degree of authority on the agricultural aspect of those initiatives, but many of them were agricultural, and Wave Hill station was one that Hon Ray Halligan mentioned. The reason those initiatives failed was, perhaps to oversimplify it, generally described under two headings. The first was a lack of understanding by the initiators of those schemes of exactly what the people needed to achieve. There was a feeling that a sheep station or cattle station that was barely able to support one family of pastoralists could somehow support a community of 240 people. In many cases the purchases that were made by the Indigenous Land Council in its early years -

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**Hon Murray Criddle:** It happened in the past before the change of station owners, when station owners and stations would carry the whole community and give it some sort of sustenance. The community lived very comfortably. Then it all started to go wrong.

**Hon KIM CHANCE:** Yes, and the equal pay issue was one of the matters that caused the first forced relocation of those people. Although one can only support the concept of equal pay, perhaps more thought needed to be given then to what the flow-on effects and the consequences would be.

**Hon Murray Criddle:** I am not arguing about the pay; I am arguing about the wellbeing of the people.

**Hon KIM CHANCE:** Yes. To expect, as many people did, that somehow a station that could support one family of pastoralists could somehow support a community of 240 was axiomatically bound to fail unless some new economic engine was able to be introduced into the pastoral lease such that it could support 240 people, and nobody ever did that.

Some of the pastoral leases that became Aboriginal owned were viable pastoral entities. Not all were dead ducks, although too many were. I think there was an assumption, which led to the failure of those enterprises, that because the station had well-trained ringers and good stockmen and people able to do the basic maintenance, the station would prosper under their management. Of course, what those people did not have was training in managing a business. Hon Ray Halligan put it eloquently when he said, "Who will manage the store?" That expression could be used across a range of issues. That is the area in which I want to answer Hon Robyn McSweeney's question, at least insofar as the question of what the state and the commonwealth - because we work in partnership with the commonwealth - are doing about that problem. About four years ago on a range of stations, initially only in the Kimberley, the Department of Agriculture as it then was - it is now the Department of Agriculture and Food - started a training program to try to answer questions about what is the department's responsibility for Aboriginal pastoralists, given that about half of the owner-operated stations in the Kimberley are now owned by Aboriginal people. We saw some difficulties emerging in the management of these stations. When we looked at the issues, it was very clear that there was a lack of management capacity at the business end of the enterprise, although there were plenty of skills in most places on the bigger stations to underlie the operation of the station. That led to the start of what is now called the Kimberley indigenous management support scheme, or KIMSS - I do not think it is named after me. That has now been extended to the Pilbara, where it is called PIMSS. That began with three stations: Noonkanbah, Lake Gregory-Billiluna and Noonkanbah's neighbour Millijiddie, which came in casually in the first instance. Noonkanbah is probably the best example of how that has worked. Management skills on those stations have been addressed and improved, not by whitey coming in and telling people how to run their station and knowing that when that particular management left, the whole thing would crumble again, but by maintaining the authority of the local structure of the owners of the station and training people through a series of levels in which skill-set levels, particularly in areas such as corporate governance, were clearly absent. Those people had never been trained in those areas. We trained to a certificate IV level in corporate governance and in areas such as basic station accounting and decision making. Noonkanbah went from a station that was very close to economically dysfunctional. I would not say it was insolvent, but it was heading that way. It is now a station that musters and sells more than 1 100 cattle a year and is a business worth probably \$20 million. It is a significant pastoral enterprise. Judging its performance against the benchmarks of Kimberley pastoral stations, it is ahead of the benchmark but still behind the technical capacity that we measure from Gogo station. That is a name that people can aspire to. It is above the benchmark rate. Millijiddie has moved along extremely well. Lake Gregory-Billiluna had further to go but I think is going ahead in leaps and bounds, showing some tremendous enterprise and initiative.

As I said, the scheme has now expanded. It now covers an area about the size of the state of Victoria. It is a significant enterprise. It won the Prime Minister's silver award in 2004. It is run in conjunction with the federal government. It was started by us but the federal government was always a partner through the Indigenous Land Corporation. It is now the major contributor of funds because we had limits placed on what we could expend in the area. It is going ahead. It has been successful because it has identified the training needs that existed and it has identified the deficiencies. It has been successful because we have trained people and brought them to the stations to train their own people with their own support group. That has been done without bringing in some of the conflicts that would otherwise have occurred. The program has also been quite economical. It has been very effective.

**Hon Ray Halligan:** Has that been done over a reasonable period?

**Hon KIM CHANCE:** Yes. Noonkanbah was a pilot scheme and it had achieved most of the outcomes within the first three years. It is quite fast working. We wonder now whether we can do something similar on those stations that we recognise can never be viable. Can an unviable station that does not have the scale to be viable

**Extract from Hansard**

[COUNCIL - Wednesday, 22 November 2006]

p8548f-8565a

Mr Vincent Catania; President; Hon Ray Halligan; Hon Kim Chance; Hon Ken Baston; Hon Helen Morton;  
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as a beef-producing property be made viable as a high-level breeding operation; that is, as an artificial insemination centre?

**Hon Murray Criddle:** I will give an example - Yandeyarra. It has been viable for a long time.

**Hon KIM CHANCE:** Yes, that is quite true. Yandeyarra is the first station to be included in the Pilbara indigenous management scheme. I have visited Yandeyarra. It is an unusual situation because it is a very large station. Its ownership operation is unusual because it is not a classic pastoral lease. It is actually Aboriginal reserve land. Yandeyarra is certainly a station that we can take forward. It relies on having strong local leadership.

**Hon Murray Criddle:** Dunham River is another. There is potential. That station, like others, has many cattle.

**Hon KIM CHANCE:** Indeed. Yandeyarra is carrying some 14 500 head of cattle. It is already a significant enterprise but it has not been all that well run over the past five or six years. I will set out to explain what has happened. The program was recognised by the United Nations secretary for indigenous affairs as the best program of its kind in the world. It won the Premier's gold award in 2004 and 2005. It has been quietly working away doing things. It is important to recognise that, as much as we sometimes get depressed - Aboriginal people also get depressed - about the way their progress is sometimes impeded, this program has given people a great deal of hope. Certainly, when one walks around Noonkanbah now, one can see that people there walk very tall. They are proud of what they do and they show up for work every morning. They do not all get work. Some have regular jobs and others turn up to a labour pool. Some get picked and some do not. They are quite happy to do that. It has required some particular skills. I recognise Ernie Bridge's work in the area. Ernie is an amazing man. Older members will also remember Percy Johnson the footballer. Incidentally, I do not think that Noonkanbah has lost a game of football for the past 12 years! In civilian life - non-football life - Percy is a pharmacist. He works with Ernie on Ernie's diabetes program. They are going into the primary health causes of diabetes. Diabetes is a major challenge. To operate a work force in that part of the world a person has to adapt his working day on the basis that half the work force is diabetic. Eating times have to be carefully scheduled etc. There are some particular challenges. There is good reason to be optimistic about some of the things that are happening.

**Hon Ray Halligan:** That sounds very good. Quite often, governments are concerned about the bottom line. The bean counters say that something has to be viable when, in fact, a small loss is nothing in the total scheme of things, provided an enterprise can provide all those other things that you are suggesting an operation can do.

**Hon KIM CHANCE:** Exactly. I recognise the commonwealth's role in this since Shirley McPherson took over as the chief executive officer of the Indigenous Land Corporation. Shirley McPherson is an Aboriginal person and a chartered accountant. She has taken the ILC in a much more positive direction in the way it is expending its capital and the way in which it is supporting programs like this, which go to the management of the ILC's capital assets.

I will comment very briefly on an education matter. We hear lots of things about children not turning up to school. I have already recorded the fact that my daughter teaches in a remote community in the Kimberley. She has a 97 per cent attendance rate in her class and 80 per cent of the children reach the state education standards.

**Hon Ray Halligan:** Has she patented that?

**Hon KIM CHANCE:** That is in a class of 34 kids. It is significant and I think it is worth recognising.

**Hon Murray Criddle:** My daughter has also taught in Aboriginal communities. The next step is the real worry because when the kids get to 13 or 14, unfortunately they sometimes cannot get into proper training.

**Hon Ray Halligan:** There are unfulfilled expectations. During their schooling we show them the wider world and all the things that might be possible even though we know at the back of our minds that a great number of those things will not be possible for those children.

**Hon KIM CHANCE:** Regrettably, I cannot do much about that. We have recently introduced another program called the new opportunities for tropical and pastoral agriculture project. That is a very small state-only program, although we are looking for some private sponsors in the future. The program sets out to introduce the concept of agriculture to Kimberley communities, both indigenous and non-indigenous, because Kimberley people tend to regard agriculture as something with horns and a short pointy tail! We are going to convince people that it can enrich their lives. One of the outcomes of the project we are aiming at is the re-establishment of market gardens in the communities because some have significant amounts of water and land. It hopes to provide opportunities in horticulture in the future for a few of the kids. It will integrate the horticulture program into the primary and post-primary syllabuses. In its small way that is something that will help. Obviously, agriculture will not employ everybody.

**Extract from Hansard**

[COUNCIL - Wednesday, 22 November 2006]

p8548f-8565a

Mr Vincent Catania; President; Hon Ray Halligan; Hon Kim Chance; Hon Ken Baston; Hon Helen Morton;  
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**Hon Murray Criddle:** It would be interesting to put alongside a station. You could have a feedlot and somewhere else you could have an abattoir. You could have agriculture and you could process them on. I know that people are frightened to spend money in these areas because they think that it is being wasted, but a few dollars in that area would be far better than seeing these people's futures destroyed.

**Hon KIM CHANCE:** Exactly. For the investment that we have made in our own small role in this area it gives me a great deal of hope that we will provide some kids with a brighter future than they otherwise would have had. As such, there are good things being done. I urge support for the motion. The changes that were made to the CDEP scheme in July are having the effect of shifting these people out of their communities to a place where their needs cannot be serviced. Each time we make a major decision, we need to carefully consider what the likely outcomes will be and, if it is our intent to do that, how we can ameliorate or avoid those effects in some way.

**HON KEN BASTON (Mining and Pastoral) [3.10 pm]:** I have listened with interest to the debate on this motion. By way of response to an interjection from Hon Murray Criddle, I agree that there is not an easy solution and, certainly, it is a very serious issue.

I read through Hon Shelley Archer's speech and noted some of the concerns that she raised about the community development employment projects scheme. A lot of her concerns are dear to my heart and have been for some time. I employed a number of indigenous people virtually all the time I was on the land.

I come back to where we started; that is, the reason for the motion that was moved by Hon Shelley Archer. I refer also to the discussion paper that was released in November 2006, headed "Indigenous Potential meets Economic Opportunity". This discussion paper was framed on the success of the 2005 paper. It has been said that inadequate consultation took place. I understand from talking to representatives from the relevant department that the consultation that took place in Broome, as well as in other areas, was based on a large job vacancy rate.

The remote areas of indigenous communities will still be funded by the CDEP scheme. However, the CDEP scheme has always been seen as a stepping stone and not an end in itself; it was never intended to be that. The change that took place seven or eight years ago made Aboriginal corporations responsible for administering the CDEP scheme. At the time I thought it was a retrograde step. I protested fairly strongly on that proposal, so much so that that somebody from the minister's department approached me to find out my concerns. I was congratulated for bringing this issue to the department's attention; however, no change was made and the proposal was implemented. The corporations employed the CDEP participants. Previously, individual employers could employ people and access the CDEP scheme for training programs etc. I understand that the proposal in the November 2006 discussion paper is that we revert to what took place seven or eight years ago.

From memory, Hon Shelley Archer mentioned that organisations such as Goolarri Media in Broome were concerned. Obviously people and organisations will be concerned until they determine how the changes will affect them. Goolarri Media could benefit by the proposed new program in the way I outlined.

I was interested to hear the line Hon Kim Chance took about the state government's involvement. It reminded me of when I travelled through the Kimberley the year before last. I may have told this story on another occasion. A line of cattle on Gogo station was strung out for two to three kilometres. They were being driven at an excessive rate. Their tongues were hanging out, and members who know anything about stock know that that is not the way to handle stock. I commented to the other person in the vehicle with me that something was wrong. After travelling past this large mob of cattle that was strung out across the rangelands, we were able to see what the problem was. Three R22 helicopters were driving that stock. Not one soul was on the ground either in a vehicle or on a horse.

We travelled for about another 10 kilometres and visited an indigenous community. I cannot recall the name of the community, but it was not a very big one, and a large number of people were sitting on verandas doing nothing. I remember saying that it was a waste of resource that people were sitting around doing absolutely nothing. Hon Kim Chance alluded to the way in which the changes took place in the pastoral industry many years ago. For example, families lived on stations; however, the equal pay case caused them to move on because a pastoralist could employ only one family. At that time I thought that if these people were being paid to sit down and do nothing, they would be far better off if they had a purpose and did something that they could do very well. I am referring only to remote areas. Of course, people in other areas do not want to fit into the regime of being in the bush and on pastoral properties.

Hon Kim Chance mentioned that some pastoral properties are owned by the Indigenous Land Corporation. Some of these properties are being worked efficiently and some are not. I will inform members of what happened at one of these properties. I actually gave a reference to the Aboriginal person who was successful in his application to manage one of these properties. This person had worked for me for 25 years. I am very proud

**Extract from Hansard**

[COUNCIL - Wednesday, 22 November 2006]

p8548f-8565a

Mr Vincent Catania; President; Hon Ray Halligan; Hon Kim Chance; Hon Ken Baston; Hon Helen Morton;  
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that his photograph is hanging in the Aboriginal People's Room of this Parliament. He took on the role as manager of a property that was not very far out of Gascoyne Junction, and after about 18 months he ran into problems. The problems did not arise because he could not manage the property; they arose because he was confronted with the way in which the family structure is set up in Aboriginal communities. It was a dry camp, which meant that no alcohol was allowed. The problem he struck arose when young people visited Gascoyne Junction to purchase alcohol, and brought it onto the property. He kicked them off the property. However, the mother of one of the kids was a member of the committee that administered the property. The story went around that the manager had perished the stock and, of course, he ended up being kicked off the property. He visited me afterwards and I asked him what happened. He asked me what I had heard. I told him that I had heard that he had perished 2 000 sheep. He asked me whether I believed that. I said that I did not, because he was, and still would be today, an excellent stockman. The other fellow who was with him burst out and said, "Those lying BBs." That was an interesting scenario. I felt saddened that he and his family had taken the opportunity to run the property, but because a whole family corporation hung off the property, it would never be a viable operation. I ran into a similar issue in the Kimberley regarding the operation of a muster. Members of an Aboriginal family who were running a station in the Kimberley said that they would prefer to run the station by themselves and not have to interact with others.

I allude to what Hon Kim Chance said regarding state schemes. I admit that I was pleased to learn that some state funding is provided to pastoral properties. A media statement released by Hon Alannah MacTiernan on 9 November 2006 states -

Reversing the decline in the number of Aboriginal people working in the pastoral industry would not only increase Aboriginal employment and incomes, it could also help meet the demand for appropriately skilled and committed labour throughout the sector.

I was pleased to read that. The Minister for Planning and Infrastructure formed a committee that is chaired by Mr Tom Stephens. The committee's membership includes representatives from the Indigenous Land Corporation, the Pastoralists and Graziers Association and other relevant government agencies. Submissions are invited to be made to that committee until 1 March 2007.

This issue is bigger than the federal government and the state government. All Australians will need to have input into it, which includes all Western Australians. The "Indigenous Potential meets Economic Opportunity" discussion paper makes it clear that remote communities are exempt and will remain exempt. Halls Creek was given a remote area exemption. Previously people did not have to demonstrate that they were looking for work. That exemption will be removed and they will have to demonstrate that they are looking for work, which will benefit them. Some members said that people would relocate to Broome. The people who will move to Broome will face having to participate in the training regime. People who do not want to be employed will probably move out of Broome, because the opportunities for them to get involved in the regime will be available to them in Broome. Hon Shelley Archer and I know that Broome is desperately short of labour.

The leads me to the matter of the assets that are owned by indigenous corporations. It is sad that very few indigenous people work at the Halls Creek stores that are owned by Aboriginal people. Aboriginal people own half of the Fitzroy River Lodge, yet no Aboriginal people work there - that is sad. If the people of Australia are to invest in those assets, we must put in place training programs so that the indigenous people are involved in the assets they own. They will then reap benefits far greater than just the cash that is currently flowing into the communities. The accommodation at Cape Leveque is owned by Aboriginal people and employs roughly 20 people, yet only one of those employees is indigenous. Very few Aboriginals are employed at Monkey Mia, which is 50 per cent owned by the Aspen Group. The service station at Fitzroy Crossing is owned by Aboriginal people, yet it does not employ any indigenous people. They are the important issues that must be considered. If the federal government does not address those issues and does not provide federal capital, the state must bring the issues to light.

The way in which funding is provided to communities is an important issue. I went to an indigenous community located south of Karratha earlier this year to look at the provision of housing, which is principally run by the state. That community had installed a fantastic renewable energy system, but the inverter had not yet been provided. I asked how long the community had been waiting for it and was told that it had been waiting for the inverter for two years. It still had not been delivered as recently as two weeks ago. Some \$500 000 was spent on a community of 40 people. That is amazing. In addition, another three communities had exactly the same problem. I asked the parliamentary secretary representing the Minister for Indigenous Affairs in this place why that was allowed to occur, and the parliamentary secretary blamed the federal government. The federal government provides funds to the Committee for Economic Development of Australia to administer by delivering services such as the power system to which I referred. I asked Horizon Power what it knew about the power system and was told that it did not even know the community existed. This goes to the issue of funding

people who live in remote communities. No audit is conducted of what is happening in the community and what money is provided on the ground and no assessment is made of whether the state and federal governments can work together to make things happen.

It is important that we look at every opportunity to provide training. A few weeks ago I was in Kalgoorlie and by chance met a fellow from Moree in New South Wales named Dick Estens, who is a grazier. Moree had a large number of unemployed people and the town suffered from a high crime rate, and so Dick took it upon himself to solve the problem. He approached the federal government and received federal funding. The program he established in Moree was a huge success. The crime rate fell and people received training and were provided with work. He used a philanthropic group to find jobs for the unemployed. When I met him in Kalgoorlie, he was travelling to Carnarvon to place two Aboriginal people in the ANZ bank there. He had done a deal with the bank, which was quite helpful in taking on the trainees. That is a step in the right direction. One can draw a parallel with the Wunan Foundation in Kununurra. That association has teamed up with the Beaconsfield Foundation, which is another philanthropic group from Tasmania. They are asking big businesses to help them because big business has the expertise, the money, engineers and draftspeople etc. They can provide training programs, and once the people are trained, a job program can be put in place. Hon Shelley Archer and I attended a briefing at which we were told a training program was under way to provide a position to train the first Aboriginal pilot to fly a jet plane. I know that that is on one end of the scale, and that we are talking about the other end; however, those are the sorts of goals and visions we must have. Even though the changes to this program will not be perfect, I believe that the changes are due and that we need to monitor the way in which the changes affect regional areas and small communities. There will still be community development employment projects schemes in those communities. That, of course, will be reviewed annually. I quote from Hon Kevin Andrews' "Indigenous Potential meets Economic Opportunity" discussion paper -

**What would happen to CDEP participants whose activities are not in the locations where CDEP is being replaced?**

In remote locations and regional locations with weaker labour markets CDEP would continue to be funded subject to the usual competitive funding process.

The competitive funding process comes up each year for the organisation or Aboriginal corporation that is delivering the CDEP program. I do not have any concerns about that. There are opportunities in places like Broome for training and jobs. I am sure that any member who has attended a briefing with Argyle Diamonds, Rio Tinto, BHP Billiton or Kimberley Diamond Company will know that all of these companies have training programs in place. Argyle Diamonds is a classic example; some 27 per cent of its work force is Aboriginal, and it aims to increase that number. Rio Tinto's iron ore operations, BHP Billiton and Kimberley Diamond Company are all in the same boat. These companies are looking for a stable work force; people who can be employed, who live in the region and who will not want to move on. I believe that this motion is a little on the harsh side.

*Amendment to Motion*

**Hon KEN BASTON:** I move -

To delete "condemns" and insert instead -

expresses its concern to

To delete "for its lack of appreciation of the" and insert instead -

about potential

To insert after "Western Australia" -

but acknowledges that the changes have been implemented to address concerns with the scheme

I will certainly continue to look forward to all programs and funding that enhance the prospect of future employment, and that provide the people of the Kimberley region with purpose and meaning in life. A point that I probably missed is that the average age of people in the Kimberley region is something like 28.6 years. That is very young. It is a very productive age group and there will probably be a population explosion, so we need to really concentrate on programs that will train those people as a work force for mining companies etc in the future, and as possible value-adding to pastoral leases in the area.

**HON HELEN MORTON (East Metropolitan)** [3.34 pm]: I support the amendment in the name of Hon Ken Baston. It is worthwhile clarifying some of the information provided to the house by Hon Shelley Archer and Hon Vince Catania. What a relief it is to know that the sky is not falling in, as the honourable members

suggested. Members need to understand the broader context of these proposed changes to clearly appreciate the benefits. The Indigenous Economic Development Strategy was announced by the commonwealth government in November 2005. It is an extension of the federal government's indigenous employment policy. The basis of these programs is the recognition that indigenous Australians are particularly disadvantaged in the workplace and that special measures are needed to achieve improved outcomes. There are two aspects to the Indigenous Economic Development Strategy. The first is about work and the second is about assets and wealth. The work initiatives include reform of the community development employment projects scheme, which is the issue of this debate. The initiatives also include local jobs for local people, improved employment service performance and targeted industry strategies.

The changes to the CDEP scheme were announced on 29 March by Hon Kevin Andrews. On 6 November, Mr Andrews released a discussion paper entitled "Indigenous Potential meets Economic Opportunity". The discussion paper addresses the proposed changes to the CDEP scheme. People have until 15 December to respond to the discussion paper. I encourage Hon Shelley Archer and Hon Vince Catania to respond to the paper. A consultation process for this program is being undertaken in Broome today, and it will continue in a number of other places. Implementation of the program is to begin in January 2007, with the commencement of the process of obtaining contract proposals for structured employment and related services - known as STEP - contract providers. New contracts under this program cannot begin until 1 July 2007. The CDEP scheme will continue in its present form until 30 June 2007.

**Hon Shelley Archer:** It was changed on 1 July this year.

**Hon HELEN MORTON:** Hon Vince Catania and Hon Shelley Archer have told members that they have already seen the effects of those proposed changes in their constituencies. That is very strange. The proposed changes cannot, by definition, be implemented for another seven months. The CDEP scheme will remain in status quo for another seven months. Even after that seven-month period, the status quo will remain in remote and rural regions.

**Hon Shelley Archer:** You should've done some more research.

**Hon Simon O'Brien:** You should listen a bit more.

**Hon Shelley Archer:** It was changed 18 months ago and then again 12 months ago. Do your research.

**THE DEPUTY PRESIDENT (Hon Graham Giffard):** Order, members! Hon Shelley Archer will note that Hon Helen Morton is not responding to her interjections, and I ask that Hon Helen Morton be heard in silence.

**Hon HELEN MORTON:** I doubt that rural and remote CDEP scheme participants are already acting on changes to the existing CDEP scheme. I suggest that, like Chicken Little, Hon Vince Catania and Hon Shelley Archer would like us all to panic about the proposed changes, because in a state of panic, one does not think very clearly. Hon Vince Catania spoke of the lack of shelter and employment for remote and rural CDEP scheme participants, how they have been forced to move to Broome because of the proposed changes, and how they have been forced to live in local parks and in trees. I must admit that I felt panic rising.

The discussion paper outlines a new model for the CDEP scheme. The new model will affect only urban and major regional centres. In Western Australia, the new model will affect only Perth, Broome, Albany, Bunbury, Kalgoorlie and South Hedland. Across Australia, 40 of 210 current CDEP scheme service providers, and 7 000 of approximately 35 000 CDEP scheme placements will be affected. Let us not get carried away by the panic merchants. Where the labour market is not as strong, specifically in remote indigenous communities, there will be no change to the provisions of the CDEP scheme. The discussion paper states that CDEP competitor job placements appear to have better results, for obvious reasons, in urban and major regional centres. What is the effect in WA? I obtained a list of Western Australia's CDEP providers. I contacted 38 of the 39 providers listed. Eight of the 38 providers that I contacted are located in the urban and major regional areas that I named. The remaining 30 CDEP offices are in places such as Kununurra, Derby, Carnarvon, Fitzroy Crossing, Geraldton, Halls Creek and Roebourne. Those offices will continue to provide the same services and entitlements to participants.

Hon Shelley Archer stated that it was abhorrent to force indigenous people to leave their homes in remote parts of Australia to look for work in urban centres. It is ridiculous to connect that statement to the proposal and suggest that the two are causally related. Hon Shelley Archer also claimed that the remote area exemptions will be removed, meaning that the proposed CDEP changes to an enhanced STEP project will eventually apply to all CDEP offices. I suggest that we should not read more into the proposed changes than is reasonable. I further suggest that we consider the proposal in its totality before we jump to conclusions or make incorrect assumptions. The Minister for Employment and Workplace Relations, Hon Kevin Andrews, who put forward this proposal, was specifically asked on 29 March this year how long it would be before the CDEP scheme

ceased to exist. He stated unequivocally that he does not foresee that the CDEP scheme will cease to exist. He acknowledged that some remote and rural communities simply do not have available employment and that the CDEP scheme, with its broad objectives, fulfils many needs in remote and rural communities. The discussion paper does not at any point recommend that CDEP offices in remote and rural areas be phased out. The change to the CDEP scheme in urban and major regional centres to an enhanced structured training and employment project is based on the assumptions that jobs will be available in urban and major regional centres, that the jobs that are not being accessed by indigenous workers and that indigenous Australians fare worse than non-indigenous Australians on nearly every economic indicator. The CDEP scheme acts as a welfare-for-life program, which it is not what it is meant to do. The labour market is thriving. We have an ageing work force, except in our indigenous population. Hon Ken Baston stated that the average age is around 28 years. That population is young and growing and it is estimated that by 2009 there will be 40 000 indigenous Australians aged 16 years. This is the perfect time to close the gap on the rate of unemployment among indigenous Australians. There is a high level of commitment from the federal government to progress indigenous economic development. Moving from a CDEP scheme to a STEP scheme will reduce dependency on passive welfare. The focus of the change is to directly place indigenous Australian into jobs. The STEP scheme focuses on real jobs. Hon Vince Catania referred to a difference in wages and the difficulty indigenous people face trying to own their own homes. The way forward in wage parity and home ownership for indigenous Australians is to enable them to acquire normal paid jobs.

Enhanced STEP brokerages are flexible and work to train and link indigenous workers to local employers and jobs. Mentoring is another part of the program. If this works, is it not better? Hon Shelley Archer admits that the CDEP scheme can be improved. Why would we want people to be on the CDEP scheme if there is an abundance of work in their area? Perhaps we should read what the changes to the CDEP scheme entail before we reject them outright in a knee-jerk response. Under the proposal, those individuals who are not ready for training or job placement will continue to access community work activities provided through an enhanced STEP rather than through a CDEP. The network of 43 indigenous employment centres will close on 30 June 2007. Those centres in urban and major regional areas will be replaced by STEP offices and those in remote areas will be handled by existing CDEP offices. All STEP and CDEP participants will be required to register with the Job Network to gain additional assistance in obtaining a job outside the CDEP scheme.

The discussion paper identifies a couple of main factors, such as the job market, job availability and the skills of potential workers. When the labour market is strong, there is a focus on placement directly into jobs through brokerage or training linked to brokerage. It is anticipated that many CDEP providers will take up the opportunity to become the enhanced STEP brokers. These brokers will be paid under contracts that have a strong emphasis on achieving employment outcomes.

My one concern with the proposed change to the CDEP scheme is the one-year cap on enhanced STEP eligibility. After one year participants can access the welfare and return-to-work programs that are available to all Australians. Currently there is no cap on the CDEP scheme; nor is any cap proposed. I wonder whether the special hurdles faced by indigenous Australians in securing employment will disappear after one year on the enhanced STEP. For that reason I support the sentiments of Hon Ken Baston.

Accessing employment on completion of the retraining is quite critical. Therefore, I strongly recommend reviewing the need for a cap; and, if a cap is necessary, perhaps we need to determine a reasonable time frame for the cap.

In light of the comments made on this subject, it bears repeating that CDEP participants in rural and remote areas will continue to be eligible for CDEP participant payments and CDEP participant supplements. In the 12 months ending August 2006, Job Network placed over 45 300 indigenous jobseekers into jobs. We can compare that with the 24 900 who were placed in the 12 months ending August 2004. That is an increase of 68 per cent over two years. On that basis alone, it appears to be working. Let us capitalise on that. Enhanced STEP participants also have the assistance of a STEP broker, as well as the Job Network. There will be more opportunity for indigenous people to become competitively employed and more people to make that happen. That will lead to better results.

The commonwealth has engaged in considerable consultation on this matter. I wonder whether Hon Shelley Archer and Hon Vince Catania were able to participate in any of the consultation that occurred in the regional centres. As I mentioned today, meetings are being held in Broome and South Hedland. One was held yesterday in Perth. The CDEP scheme is not producing results; that is, obtaining work for indigenous people in a competitive job market. The commonwealth government is attempting to produce results by capitalising on the strong economy, the lowest unemployment rate in decades and our ageing work force demographics. If the CDEP scheme is not working, let us fix it. Hon Shelley Archer states that Aboriginal people should have the same basic rights as other Australian citizens. I am sure that no member would disagree with that. Indigenous

Australians are entitled to the same welfare and return-to-work benefits and programs as non-indigenous Australians, and that will not change.

The government recognises that indigenous Australians are disadvantaged across the board, and particularly in the workplace. The government also recognises that the CDEP scheme needs to be revamped. Hon Shelley Archer agrees with that. Indigenous Australians have the option of accessing the community development employment projects scheme with enhanced assistance and financial benefits. That will not change for those indigenous Australians living in remote and rural regions. In Western Australia, that translates to the clients of 30 of the 38 CDEP scheme providers. The doom and gloom portrayed for those rural and remote areas as a result of the proposed changes is simply a ploy to instil a sense of panic in us and our constituents. If it was not a ploy, it was a careless reading of the discussion paper and the proposed changes that we are talking about. If the CDEP scheme is discontinued in areas of high unemployment or where there is no competitive employment, a compelling argument can be put that employment under the CDEP scheme is better than nothing. The discussion paper maintains that the areas chosen for the discontinuance of the CDEP scheme were chosen on the basis of population, unemployment rates and availability of other employment services in the area. There is a compelling argument that indigenous Australians should be working in the competitive work force in those areas where unemployment is extremely low. The one way in which indigenous Australians can begin to achieve economic parity with non-indigenous Australians is by obtaining and retaining competitive employment. Employers are in dire need of workers, yet the placement rate for indigenous workers under the CDEP scheme was very low at five per cent. This may point to a culture of welfare in the CDEP scheme and by the recipients of CDEP funding, and also by the potential employers who might want to access workers through the CDEP scheme. There can be no serious argument that providing state-sponsored work - in other words, the sit-down money - in urban and regional areas with high unemployment rates is better than a serious attempt by the government and industry to competitively employ workers. Certainly, the time is right on many fronts to make such a serious attempt. Do we not want to provide indigenous Australians with the same basic rights that are provided to all Australians?

The proposed changes recognise the unique employment problems in rural and remote indigenous communities. The current scheme in those communities will not be affected by the proposed changes. I do not support the original motion moved by Hon Shelley Archer because it is not correct. There is no evidence that there will be any detrimental impacts from the changes to the CDEP scheme. The federal government is acutely aware of a plethora of evidence, and appreciates the operation of the CDEP scheme in its current form in both urban and regional centres where changes are proposed, and in remote and rural areas where things will continue as they are. With the caveat that I do not believe there should be a hard one-year cap on structured employment enhancement program services, I support the proposed changes to the community development employment projects scheme put forward by the commonwealth for consultation and implementation. With that same caveat, I support the amendment proposed by Hon Ken Baston to the motion.

**HON LOUISE PRATT (East Metropolitan)** [3.53 pm]: The federal government's announcement that it will cut community development employment projects in all but remote areas of Australia is an indication that it will continue to target those Australians in the community who are most at risk and most vulnerable and who find it hard to make themselves heard in the current political environment.

When the CDEP scheme began in the 1970s it was, as Hon Shelley Archer stated, a response to a request from indigenous communities who were seeking to work for their unemployment benefits and to make a contribution to their own communities and, as a consequence, to the Australian community. Unemployment benefits created a sense of disempowerment for indigenous Australians. They lacked many local services that they required. To combat that, they sought to empower themselves by using the money that was given to them by the federal government to benefit their communities. It was, in part, a precursor to what John Howard now calls mutual obligation. John Howard is very keen to ensure that mutual obligation becomes the prism through which we view welfare, but he is unable to accept mutual obligation initiated by indigenous communities through community development employment projects. I concede that community development employment projects in every town are not perfect. Indeed, some community development employment projects have unique issues and personalities to deal with. However, some of the elements of reform that have been put forward are worthwhile.

I think that one of the motivations behind the federal government's push is to bring CDEP scheme payments in line with other welfare entitlements. An analysis of the 1996 census by Professor Jon Altman found that employment through the CDEP scheme increased income above social security entitlements, and that employment participation in community development employment projects had beneficial impacts. Participation in the CDEP scheme increases income, is often combined with employment, and increases skills and economic development opportunities.

**Extract from Hansard**

[COUNCIL - Wednesday, 22 November 2006]

p8548f-8565a

Mr Vincent Catania; President; Hon Ray Halligan; Hon Kim Chance; Hon Ken Baston; Hon Helen Morton;  
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In researching my comments on this issue, I reflected on what the Australian Council of Social Service said should be the principles of reforming the CDEP scheme. The federal government's changes to the CDEP scheme betray many of these core principles. The government's primary motivation in making changes to the CDEP scheme is to bring it in line with other employment agencies and services. The simple fact is that the CDEP scheme was never just about employment; in fact, it is a provider of essential services in many communities. It funds many core services and strengthens community participation and cohesion. People who live in major regional centres or in metropolitan Perth benefit from many different types of organisations that create community cohesion and participation. The CDEP scheme was designed to deliver those attributes to regional and remote communities.

The main objective of the reform of the CDEP scheme should be to provide opportunities for CDEP scheme participants and indigenous communities to fully participate in Australia's economic and community life. Considering that there is an unacceptably high rate of indigenous unemployment and that approximately one-quarter of the indigenous labour force participates in community development employment projects, getting indigenous people out of the CDEP scheme and into mainstream employment is a critical point in enabling communities to achieve increased labour force participation. It is not about keeping people in the CDEP scheme. However, the reforms to this scheme will not necessarily meet those goals. ACOSS has asked that indigenous job seekers participating in community development employment projects have access to appropriate labour market assistance, education and training that will assist in overcoming the barriers to employment. That assistance should be provided to participants in community development employment projects. Currently, the CDEP scheme enables people to participate in the scheme for a year before they are booted out of it to participate in mainstream programs.

Although people are participating in community development employment projects in their communities, they should still have access to mainstream employment services. That should be an important objective of reform, but it is not covered in the kinds of issues being articulated by the federal government.

I also have concerns about changes to CDEP when I look at the other changes that the federal government has brought about in the indigenous affairs portfolio. The Aboriginal and Torres Strait Islander Commission has been disbanded. Shared responsibility agreements between communities should be implemented only as a result of consultation within individual indigenous communities. They should focus on the efficient delivery of services, improved health and welfare and employment outcomes rather than the regulation of personal behaviour. That is one of the things that seems to be cropping up under shared responsibility agreements. Indigenous communities must be supported to ensure that they have the capacity to set their own goals based on their community needs. Equally important is ensuring flexible and integrated funding arrangements and resources. Indigenous communities are facing attack on numerous fronts through the loss of ATSIC, the changes to CDEP and the more regulatory notions behind shared responsibility agreements. We are therefore losing the community development model and drivers in the way we manage indigenous affairs and the way we support indigenous communities. The CDEP reforms have a formal and largely economic focus, undermining the role that CDEPs play in Aboriginal communities, particularly in rural and remote areas, in providing community cohesion, capacity building and acting as a conduit for maintaining cultural participation and preservation. We need to ensure that when changing the CDEP, the federal government continues to support capacity building, cultural participation and preservation. They are some of the fundamental areas that CDEP supports, yet the CDEP reforms have been focused on employment participation.

The Australian Council of Social Service also noted that key goals for services provided to indigenous communities should be established, regardless of the structures through which services are funded. That would ensure that outcomes are delivered, particularly those that address disadvantage in health, education, housing, justice and paid employment, and would strengthen the control by indigenous communities of the delivery of services that we in the metropolitan area and in large regional centres take for granted. Again, we can see how a narrowly defined approach to CDEP that is based on employment outcomes will fail in those key areas. The federal government has not outlined a vision for assisting communities, for growing autonomy, for providing key services, and for addressing education, health, housing and justice outcomes. CDEP has traditionally been integrated into many of those projects in indigenous communities. Indigenous government is a critical element in the effectiveness of service delivery across indigenous communities Australia-wide. Linkages between the programs and services delivered to and by CDEPs through a range of government departments - local, state and federal - and various other stakeholders, including non-government organisations, must be strengthened and improved. I cannot see any elements of that either in the federal government's approach to CDEP reforms.

We need to focus on consultation with individual communities to determine their needs and to maximise their access to funding and services. We need a framework to provide a better integration across the delivery of funding of services and programs from different levels of government, agencies and other relevant stakeholders.

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We need a system of ongoing, comprehensive management training and support. Rather than an injection of support into Aboriginal communities, there will be, as Hon Vince Catania highlighted, a dislocation of some Aboriginal communities. Indeed, some people will be compelled to move when they come off the CDEP arrangements. They will move into the fringes of other urban communities.

The Australian National University Centre for Aboriginal Economic Policy Research director, John Altman, expressed concern at the recent turn of events with the CDEP. He says -

Worryingly, while concern is widely expressed about the economic viability of out-stations, the very basis for their limited dependence - flexible CDEP income support and remote area exemptions in relation to welfare payments - is being dismantled. More viable economic alternatives are not in place. There is a real danger that in seeking imagined economic independence, new government policy will reinvent the extreme dependence that many of today's out-station residents experienced at townships in the 1960s and chose to leave in the 1970s.

The federal government has not outlined its vision for supporting Aboriginal Australians, particularly those living in regional and remote areas. As I said earlier, with the shared responsibility agreements, changes to ATSIC and the proposed changes to the CDEP, the federal government has not articulated any overall vision to support Aboriginal Australians. It appears that the underlying agenda for the changes to CDEP is to push people out of what the federal government perceives to be unviable communities. If that is the federal government's agenda, that is what we should be debating, because I believe it is a key underlying force behind the agenda the government is pushing.

I want to reflect a little on what Gary Johns said. He was a minister in the Keating Labor government and is a senior consultant with ACIL Tasman and president of the Bennelong Society. I do not necessarily agree with what he is saying about CDEP, but he is saying that, under these changes, patterns of mobility are likely to become labour related rather than kin related. The federal government has argued that CDEP keeps people trapped in communities and does not get them out seeking work. That is a little incongruous with the notion that indigenous communities are quite mobile. Gary Johns is arguing -

The challenge for government is to stop funding programs that militate against the migratory solution. The challenge is to manage those who are neither eligible for work nor school; in other words, those who fall outside the main institutional arrangements for socialisation. In looking after those who fail to benefit from the change-of-behaviour regime, government will have to be careful not to make investments that inhibit the ongoing migratory trend.

The Government has begun to stop supporting a recreational lifestyle in the name of preserving a culture. The extent to which Aborigines from remote regions will be more akin to refugees than migrants will be a measure of the difficulty of their adjustment to new circumstances.

Those comments of Gary Johns show that some very complex issues are being grappled with behind the changes to the community development employment projects scheme. Those issues need proper focus. We cannot make changes around the edges of employment programs without recognising the fundamental impact that such changes will have on the heart of indigenous communities. We can then decide whether it is a direction in which we should choose to go as a community.

In closing I must say that it is not reasonable that a scheme that has proved its capacity to provide economic development opportunities and skills and income to those who would otherwise be unemployed should be gutted in this manner. I believe that it is a short-term ideological decision that will save money in the immediate future but will have a long-term community cost.

**HON ROBYN McSWEENEY (South West)** [4.10 pm]: I find it rather strange that this government would criticise the federal government about Aboriginal training when this state seems to lack responsibility in that area. I asked Hon Kim Chance what the state was doing. There are some programs, but a lot more are needed. When the community development employment projects scheme first started it was a very good program. In some places it is still a very good program. However, it has its faults. We have heard about some of those this afternoon. A report on the Aboriginal child health survey was released today. The survey cost \$6 million and investigated more than 5 000 children in 2 000 families. The results are rather shocking for the state government. It shows that not enough is being done. It found that 30 per cent of the children surveyed had teenage mothers. The same percentage came from single-parent homes. One in five Aboriginal teenagers was not living with either parent. Research discovered that the average family had seven of 14 major life stresses, and almost one in four children was living in a home with even greater stress levels than that average. Of families living in extreme isolation, almost 70 per cent had lost a close family member. In more than 30 per cent of families, children had to care for other members. Forty per cent had direct problems with drug and alcohol abuse, which is about the same rate as urban dwellers. The rate climbed to 60 per cent for those living in rural

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communities. “Surprisingly, the problems peaked in rural and wheatbelt areas where transitional lifestyles mean that people are struggling to live in the two worlds.” Those are the comments of Professor Zubrick. There has been a huge focus on the most remote areas of the state to the neglect of others.

The results show that the average family in an indigenous community is confronted with seven major negative events every year. I suggest that not having work would be right up there. That is coupled with drug and alcohol problems. Sixty per cent of the 2 000 families surveyed have those problems, which is appalling. For members opposite to come in here and condemn the federal government for changing the program is showing some hide. Hon Helen Morton explained the program quite clearly and how it was not proposed to be changed in the main in the north of the state. There will be structured employment. The federal government is well aware of the problems. For Hon Louise Pratt to come in here and say that the federal government is not aware of health and education etc is not true; the federal government certainly is aware. What is the state government doing when such appalling figures are released? Eighty per cent of mainstream children aged five years are ready to go to school, but only 38 per cent of Aboriginal children are ready to start school when they are due. There are huge problems in the state with Aboriginal people. The rate of sexually transmitted diseases is one such problem. This government should be cleaning up a raft of social issues. It does no good for a member of the government to come in here and bag the federal government. Both state and federal governments have a responsibility for Aboriginal people. The report released this afternoon shows the appalling lack of interest this government has in indigenous people. Babies have sexually transmitted diseases and children under 14 years have sexually transmitted diseases and this government has the hide to come in here and start bagging a program that has worked very well for many years. The structured reform will mean that it will work just as well, if not better. I hope that the government takes heed of the 23 recommendations of the Aboriginal health survey report.

Debate interrupted, pursuant to sessional orders.

*Sitting suspended from 4.15 to 4.30 pm*