



Australian Government

Department of Families,
Community Services
and Indigenous Affairs

Cape York Welfare Reform Trials

The Australian Government has agreed to accept a proposal by the Cape York Institute to trial a new approach to welfare in four Cape York indigenous communities: Hope Vale, Aurukun, Coen and Mossman Gorge.

The Government's decision is a response to the recommendations of the report by the Institute, *From Hand Out to Hand Up* provided to the Government on 19 June 2007.

The Australian Government will be providing funding of \$48 million for the trials. Legislation to amend the Social Security Law to enable the trials to proceed will be introduced in the next sittings of Parliament.

The trials aim to promote engagement in the real economy, reduce passive welfare and rebuild social norms, particularly as they affect the wellbeing of children.

Linking obligations to welfare payments

A major feature of the reforms is the introduction of a set of obligations which would be attached to welfare payments. These obligations will require parents to send their children to school and protect them from harm and neglect. There will also be reforms to tenancy arrangements and obligations on tenants to comply with lease conditions. People will be expected to uphold the law and if they do not, welfare sanctions may be introduced to those convicted of domestic violence, drugs or alcohol offences.

The Family Responsibilities Commission

A Family Responsibilities Commission will be established as a local Indigenous body with authority for enforcing obligations. The Commission will be chaired by a retired magistrate, or person of similar stature, and consist of respected members of each of the four trial communities.

The Commission will work with families and communities to deal with issues such as drug and alcohol dependency; violence; child neglect and truancy; gambling; and poor money management. Subject to State legislation, the Commission will have the authority to obtain information from State child protection authorities, courts and schools. This will allow the Commission to determine if there has been a breach of one of the obligations. The Australian Government will amend the Social Security Law to enable Centrelink to redirect a person's welfare payments in certain ways if the Commission decides this is appropriate.

It is expected that the Commission will be established by the Queensland Government as a statutory body.

Australian Government investment

The Australian Government's commitment includes significant funding for complementary initiatives to support the trials and assist people to meet their obligations.

Improving the lives of Australians

In recognition of the importance of a good education to life opportunities, the Australian Government will provide \$12 million to support the roll out of the Multilit (Making up for Lost Time in Literacy) program which has proven highly successful in Coen; the establishment of Student Education Trusts to assist parents to contribute to their children's education; and changes to ABSTUDY to allow eligible students to study at boarding school.

There will be reforms to Indigenous employment services and programs to improve incentives to take up real jobs, education or training, improve work readiness and Indigenous people's capacity to find work both within and outside their communities. Forty Australian Government jobs in service delivery will be created by converting some current CDEP positions.

To foster job creation at the local level, the Australian Government will also be providing funding of \$5 million for infrastructure and support required to create self-employment opportunities and develop small businesses.

In addition the Australian Government will contribute \$5 million towards the cost of employing case managers who will support people referred to the Commission and provide a fund from which they will be able to purchase specialist services for families, eg relationship or violence counselling. There will be additional funds provided for income management services and for expansion of the voluntary Family Income Management.

The Australian Government strongly supports the Institute's proposals for tenancy reforms and creation of opportunities for homeownership. It will make available \$2 million to extend the Pride of Place initiative, a program in which the Government and residents both contribute to improving their houses, gardens and public spaces.

In addition, funding will be available separately to support additional housing for home ownership in the pilot communities, subject to the Queensland Government amending its land tenure legislation to enable this.

Australian Government investment

Subject to the support of the communities and the passage of legislation by the Queensland Government it is intended that the trials will commence at the beginning of the 2008 school year and continue until December 2011.