

NTCOSS Conference 4th June 2015 - Are current policies and systems really adding value?

The Remote Jobs and Communities Programme ('RJCP')

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The 'Implementing the Remote Jobs and Communities Program' research project is looking at how the RJCP evolves over its first 3 years and what is driving this evolution. The project is running out of the Centre for Aboriginal Economic Policy Research at the ANU. I am one of three people in the team, with Dr Kirrily Jordan and Dr Will Sanders, who is leading the project. The project has been funded by the Australian Research Council and our industry partner, Jobs Australia, to whom we are grateful for both their financial support and their ongoing collaboration.

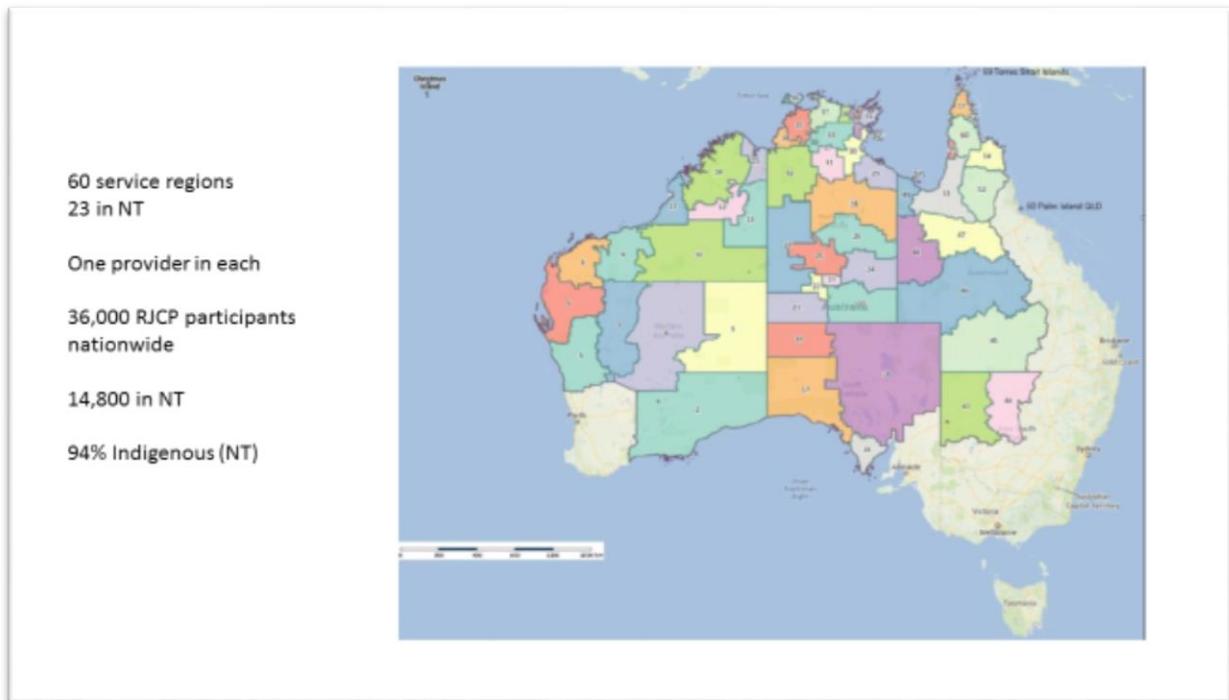
Today I will try to do four things:

- I will tell you a bit about RJCP and how it came about
- I will talk a bit about the changes that will be happening from 1 July 2015 and what they might mean
- I will share some observations about the program and what I think may be driving the way it operates, based on our research to date
- And I will try to suggest some lessons for the sector from what is happening in RJCP.

How the RJCP came about

The RJCP emerged from a review of remote employment services that was announced by the then Labor Government in the 2011 Budget. Included in the review was the Job Services Australia program, Disability Employment Services, the IEP and CDEP. At the time, Government documents suggested that this review was brought about by concerns about the fragmentation of services in remote areas, and the recognition that a market driven approach wasn't working. But over the course of our research it has become clear that, by this point, the relevant Minister, Minister Macklin, had determined that CDEP needed to be got rid of and this was a critical factor in the change.

There was a public consultation and review process, and from this the RJCP emerged. Sixty RJCP service regions were created across remote areas, with one service provider in each region (refer map). Contracts were for 5 years from 1 July 2013, recognising that a longer contract period would be needed to make a difference in these areas.



The program itself had two basic elements. It had what was described as a case management service: every unemployed person would start in the service immediately after signing up for benefits, a plan would be developed for them that included their Social Security Act obligations, and the provider would be rewarded where people found work for 13 weeks, or for 26 weeks.

The second part of the service was activities. The provider was required to connect every activity tested person to an activity – generally 15 to 20 hours per week, but with scope for community activities that were less structured – like, for example ‘medical maintenance’ that meant that the primary task that people had to perform was managing their health.

In other words, RJCP combined the case management elements of JSA with the activities requirements of CDEP – although far more people were swept up in the activities requirement than had been before.

The program was meant to be community driven, and to this end providers were required to develop Community Action Plans, which would drive investments from a \$237 million Community Development Fund. Indigenous organisations were strongly encouraged to apply to become providers and a significant number were awarded contracts. Overall, Indigenous organisations deliver the program in just under half of the regions – about 22 in all. In the NT, there are 23 regions and Indigenous orgs run the RJCP in two thirds of these, with a mix of Local government, private and one non Indigenous NFP in the remainder.

Changes from 1 July 2015

I want to talk now about the changes that are happening in the RJCP program at the end of this month. Six months into the contract and 3 months into the Liberal/National Government, the Minister for Indigenous Affairs, Nigel Scullion, proclaimed RJCP a failure. It is not completely clear why, but he has said publicly that the program is too interview driven and is not getting enough people into work.

So, two years into a five year RJCP contract, the Government has essentially rewritten the contract with providers.

The changes include:

- Stripping out the Community Action Plan, and getting rid of the Community Development Fund – which has now been absorbed into the IAS (although a new \$25m per annum small business fund has been created)
- Ending CDEP wages as of 1 July 2015 (1000 affected in NT)
- Requiring that all activity tested people between 18-49 must do Work for the Dole¹ 25 hours per week, spread over 5 days, 12² months of the year – this compares with the non remote requirement that people who are unemployed for over six months do Work for the Dole for six months in each year – generally between 15 and 25 hours per week, depending on age
- Restructuring provider payments so that if they cannot get people into Work for the Dole, or they help get them assessed as unable to do Work for the Dole then they will earn significant less money
- Restricting funds for investment in training and eliminating payments for education achievement
- Making it easier to get rid of providers by establishing a performance framework with measures that are considered by many providers to be unrealistic.

There are enormous implications out of these changes – not least for those that contract with Government, who now are faced with the prospect that, even if a contract is entered into for 5 years, the Government is willing to – essentially – unilaterally change it. But the most worrying issues arise from the Work for the Dole changes. The stated aim is to have 30,000 people working 25 hours per week across what are already job poor communities, with fragile economies. To put this in perspective, in July 2013 there were only 10,500 people doing CDEP these areas, and then for 15 hours per week. To imagine that the expected level of non waged, forced work, will not have an impact on the labour markets of these places seems ludicrous. And providers will be desperate for meaningful work to get this many people to do. Those that might be interested in starting a small business – for example as a handyman or lawn mower, will find themselves competing with those working for their dole. Work for the Dole participants will inevitably end up doing work that is usually done by paid workers, with none of the benefits that used to be available to those on CDEP wages.

But the other problem is an impact on community and personal incomes. Some people will come 5 days a week for the year, but a lot won't. They will have even more opportunities under this system to incur 'no show no pay' penalties. And providers will have financial incentives to use whatever means they can to get people to come, and to refer people to Work for Dole even when they know that, given their circumstances, they are unlikely to be able to attend 5 days per week. More people will be breached, including those most vulnerable – those with chronic illnesses, living in unstable housing, with mental illness or who are in violent relationships. There is a lot of talk around about income management but the issue here is income loss. Already I have been told of people leaving income support altogether – particularly young people.

The irony is that none of this will address the issues Minister Scullion has spoken of – the endless interviews and need for more focus on jobs.

¹ As of 4th June 2015, it appears that the name 'Work for the Dole' may now be replaced by 'Community Development Program' or CDP

² As of 4th June 2015 it appears that up to 6 weeks break will be allowed

Frontline practices in RJCP

A key part of my work is observing frontline practice and interviewing frontline workers in this program. The people who do case management work are generally called Employment Consultants or something similar. This implies someone who spends time talking to people about what they want do, talking to employers about what they need, and working with each party to try to create more opportunities for clients.

When I ask people in Employment Consultant roles, most will tell me initially that their job is to get people into work, but when we talk a bit more they often tell me that what they *actually* do for most of their day is teach people to be compliant so that they can keep their Centrelink payments:

Do you see these appointments as being about getting people into work?

No they are about getting people to get up and move around – to do something for their payment.

(Clara, local Indigenous employment consultant³)

* * *

Do you see your main job as helping people find work?

No. It's mostly talking about what they have to do.

(Margaret, local Indigenous employment consultant)

When I ask participants what it's like when they go into the office for appointments, this is what they tell me:

What happens when you go up to the office – do they try to get you work?

P: They ask you what you are interested in, then they send you down to work for the dole. Then you go back in, and they ask you how it's going and you say 'nothing's changed' and then you just keep doing what you are doing.

P2: We are here trying to better ourselves. That's their job to find us some work (Outdoor men's crew)

.....

So what happens when you go into the office.

They just get you to sign some shit. [all laugh and nod] (Outdoor men's crew, Nth Qld)

Employment consultants spend their whole days in front of computers in the office. Most don't get out to talk to employers, or ever meet their clients outside the office. Most are non Indigenous, or non local. Why? Because this program has been built to be so administratively complex that most

³ All names have been changed

locals can't do, or don't want this work. There is substantial turnover amongst these frontline workers. The training they get is almost always focussed solely on the IT system and the administration. Turnover, combined with emphasis on admin and IT means that there is little time to build effective, relationships with clients, let alone employers:

Its hard to engage with job seekers because the job is so heavy on IT. It can get very frustrating because the system goes down and then people are waiting. By the time we have got through the computer screens there is not a lot of time left to talk with people about what is going on for them. (Rachel, local Indigenous woman, early 20s)

.... I can see a lot in the computer. I guess that's my main reference – I can see a lot about them there about how consistent and reliable they are. I was asked by someone to give a reference for a client and I thought I don't know them at all, but then I realised that it was there in the computer. (Siobhan, Non Indigenous woman, 40s)

Those who have some formal training in case management, find themselves de skilled:

I feel like I am an automaton – just tick and flick. I have too many clients and I have ridiculously slow internet. (Mark, non Indigenous man, late 20s)

So what is it that is taking up so much Employment Consultant time, if they are not focussing on getting people into work? These figures might give you a sense:

There are around 14,000 people on the RJCP caseload in the NT

In the **3 months** to December 2014:

Over 74,000 face to face appointments were scheduled

Less than half were attended

Over 30,000 participation reports were sent to the Department of Human Services.

At least half of the work in an RJCP office consists of computer transactions which are required to make an appointment, record the outcome, reschedule if needed, and report to DHS when people don't attend. And, as some of the comments above indicate, one of the consequences is that what goes on in the appointments themselves is often meaningless.

Minister Scullion is right when he says there is something wrong with this picture. But I suspect one of the reasons that the issue isn't being addressed is that much of what is driving frontline practice is deeply embedded in bureaucratic ideology and culture. It has become too hard to imagine an employment service that is not totally reliant on the IT system and the complex administration that is required to ensure that every client is subject, at all times, to the risk of being breached. It is not clear to me that the Minister has had access to different ways of thinking about how the important work of connecting people to employment, or getting employers to create opportunities, can be done.

How did we get here and what can we learn from this?

I said before that a critical driver for the development of RJCP was getting rid of CDEP. The then Department of Employment and Workplace Relations – DEEWR – were given carriage of the development of the case management side of the program, including the Funding Agreement and the IT system.

DEEWR brought its own way of thinking about how programs should be done to the design of RJCP. Underneath the broad policy announcements, it was DEEWR building the engine of the program and they were making it in the image of the mainstream contract. Even those at the heart of the program development found it hard to impact on the process as this comment by a very senior man with years of remote program experience indicates:

.....DEEWR owned this space, so there's huge policy and program momentum around all the processes, the computer systems, the intellectual capital that's invested in it, and so anybody like myself... even the central agencies like Finance and PM&C, you know, you're sitting, you're a bumblebee on a buffalo. And it is very hard to force the buffalo to change direction.

The logic that underpinned the mainstream service can be summed up as 'hassle and help'. The idea is that if life on welfare becomes harder and more unpleasant people will just think – 'I may as well get a job'. If help is given, it is tickets, licenses, transport rather than long term investments in skills. You rely on the hassling to do the grunt work. This, of course is a 'supply side' approach – job creation is not really part of this picture. When DEEWR designed RJCP they built their whole computer system, their approach to contract management, their measurement systems around 'hassle and help'. Hassle and help applied not only to RJCP participants, but to providers. This is the same hassle and help system that has driven staff turnover, reduced innovation, and lower skills in mainstream employment.

To be fair, the RJCP did have some 'demand side' measures. The Community Action Plan and Community Development fund were to be run by FaHCSIA, and were supposed to be driving community and employment development projects. Attention to community and economic development in the first year of the program was limited as providers focussed on the immediate tasks of establishing the program, and those elements have now gone. In practice, many providers have worked hard to make the activities engaging and flexible rather than unpleasant. But the stress on getting the numbers (whether in commencements or in activities), alongside complex and changing rules, makes juggling these tasks difficult.

The focus in the system on computers over people can have some terrible consequences for individuals. I have watched people who are clearly unwell and awaiting specialist medical appointments referred to 20 hours per week 'structured activities'. I have been told by a consultant that if they think people are suffering from depression, a stint on the gardening crew can shake them out of it. I have been told by providers of being encouraged to place people with untreated schizophrenia, and people on weekly dialysis in work for the dole. In the world of hassle and help those whose circumstances don't fit into the system can easily get left behind.

Providers too, end up caught up in the internal logic of these programs. They have built their own expertise, their own business logic around hassle and help. Providers' financial survival is tied up with being able to control clients – while some advocate, their organisational interests often conflict with their wider views about what is fair or what a good service might look like.

But there is also a sense that 'there is no alternative' – Margaret Thatcher's TINA principle. The way that these programs are structured is justified by a series of ideas that seem to be unarguable:

- contracts should include incentives for doing a good job (ie pay by 13 and 26 week outcomes)
- the best providers are the ones that get the most outcomes (ie number of jobs)
- there should be no training for trainings sake
- providers need to be accountable for public money

- people should not get something for nothing
- there should be consequences if people fail to take responsibility (show up for appointments)

These are very hard ideas to argue with, but it is under the banner of these ideas that the sort of dysfunctional work practices that I have tried to outline emerge. It is in the way that they are embedded in practice – the lack of recognition of the trade off, for example, between ‘accountability for public money’ and the desire to have more local staff with cultural authority in key roles. Or the trade off between creation of incentives for 13 and 26 week ‘outcomes’ and the need for local people to have access to long term, sustainable jobs in their communities or to invest in projects that will strengthen communities.

How might we challenge these ideas? Here are some very preliminary thoughts – more as a prompt for thinking, than a well developed plan:

I wonder if there is some potential to use the TINA principle in other ways. Surely, if people are being asked to work for their dole there should also be ‘reward for effort’ – in other words some sort of wages for what they are doing if they turn up and do it well. Reward for effort is surely just as embedded in our idea of what should happen in a ‘normal workplace’ as ‘no show no pay’.

But there is also a need to recognise that the ‘technical is political’ - IT systems and processes that never get on the radar of politicians have embedded in them particular assumptions about how the work should be done. In this case, these assumptions are not just inappropriate for remote Australia but are defeating the employment goals of the program. We need to recognise that while data is great and gives us a sense of ‘knowing what is happening’, it comes at a cost – usually at the frontline – sucking time out of other tasks that may be more valuable for people working in or accessing the service. Again, in remote Australia, poor IT infrastructure and limited skills availability compound this impact.

The idea that the ‘technical is political’ also creates a challenge for all of us in ensuring that the voices of those that use the services, who are their intended beneficiaries, are heard. If the senior public servant who I quoted before couldn’t impact on the ‘buffalo’ that was the existing system, what hope those who have no idea of what is going on ‘under the hood’? We need to find ways of using frontline worker and client experiences of services more directly in advocacy and in explaining what is wrong and what needs to change.

I want to leave you with two of the comments of two local Indigenous people that I spoke to about what the constant policy changes, the frenzy of writing and re-writing the rules, mean to people on the ground:

The maximum effect is on grassroots people. There is disillusionment, distrust. It is seen as [provider]’s fault, but it is the laws that come down. There is lots of misunderstanding about what is happening.

People should have to work for the dole. People who work hard and pay taxes do pay for people. But the penalty should be gradually imposed.

These laws are tightening the rope around people’s necks.

(Local Indigenous man, Kimberley)

Indigenous people need consistency. But Government changes policy all the time. Like the 2 days per week has only been in a couple of years. With Government they say – here are the rules – but then they keep changing. And this contract, meant to be 5 years, but they keep changing it all the time. And in ten, twenty years' time there will be another Sorry Day where they will realise what they have done. (Local Indigenous woman, Western NSW)

Thankyou

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