Autonomy and the Community Development Employment Projects scheme

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Table of Contents

Abbreviations and acronyms ................................................................. iv
Summary ................................................................................................... iv
Acknowledgments .................................................................................. iv
Introduction ............................................................................................. 1
Alternative views of welfare and economic dependence ......................... 2
CDEP and political autonomy ................................................................. 3
  Increased political autonomy for communities ........................................ 3
  Increased economic autonomy for individuals ....................................... 5
  Increased political autonomy for ATSIC .............................................. 5
Conclusion: negative and positive autonomy ......................................... 6
Notes ........................................................................................................ 7
References ................................................................................................ 7

Figures

Fig. 1. Growth of the CDEP scheme, 1997–1999 .................................... 2

Tables

Table 1. The proportion of Australian firms and CDEP schemes by the number of their employees or participants .......................... 4
Abbreviations and acronyms

ABS  Australian Bureau of Statistics
ANU  The Australian National University
ATSIC Aboriginal and Torres Strait Islander Commission
CAEPR Centre for Aboriginal Economic Policy Research
CDEP Community Development Employment Projects
NCDS National Centre for Development Studies
UNSW University of New South Wales

Summary

There is a tendency to view the CDEP scheme as unsuccessful when measured in predominantly economic terms, and in particular against its ability to reduce welfare dependence by reducing unemployment. However, it can be suggested that the scheme is quite successful in non-economic terms, as it appears to increase Indigenous political autonomy. By introducing the concepts of negative and positive autonomy, this paper proposes that it is legitimate to consider the scheme as relatively successful in terms of its political outcomes, even if it does little to reduce welfare dependence.

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Introduction

Indigenous people suffer from high unemployment, and many are unemployed in the long term. The attendant high levels of Indigenous dependence on welfare payments, at least those related to unemployment, are generally viewed negatively (see Folds 2001: 41; Pearson 2000). It has also been suggested that a high level of welfare dependence legitimises and increases government involvement in, and control of, Indigenous people’s lives, to the extent that it can be characterised as another form of colonialism—‘welfare colonialism’ (Beckett 1987). However, against this is the fact that the welfare system also provides a cushion against the poverty which normally accompanies unemployment. In addition, the welfare system may, especially when applied in the remote areas of Australia, provide a level of autonomy for Indigenous people.

The Community Development Employment Projects (CDEP) scheme was introduced some 25 years ago as an alternative to unemployment benefits for Indigenous people in remote regions. The scheme arose out of two concerns. Policy makers in the field of Indigenous affairs and some Indigenous community leaders were concerned that residents were obtaining unemployment benefits without doing any work;¹ and the government was concerned about the ongoing Indigenous dependence on welfare transfers for income (Morphy & Sanders 2001: 1). The scheme started in 1977 with 100 participants and has grown to presently include around 31,000 (see Fig. 1). Statistically, the scheme lowers the national Indigenous unemployment rate from around 43 per cent to 23 per cent (Hunter & Taylor 2001: 119; Taylor & Hunter 2001: 98). However, the basis of the scheme is that a notional equivalent of people’s unemployment benefits (plus an administrative loading) is passed to their community or organisation, which then determines what work they will do. Thus, although the participants perform work for what is basically their unemployment entitlements, the scheme has a welfare base.

Assessments of the scheme’s success have not been entirely positive. This is largely because it is failing to move people into the mainstream labour market (Shergold 2001: 70; Spicer 1997). Indeed, dependency on the scheme for all employment is increasing. In 1991 it accounted for 14 per cent of all Indigenous employment; this proportion rose to 20.6 per cent in 1996 and is projected to reach 27 per cent by 2006 (Taylor & Hunter 1998: 16, 17). Therefore, in terms of reducing welfare dependency, the scheme is not terribly successful. Placing the scheme within the present government’s Indigenous Economic Policy, one commentator noted that:

The objective is to encourage CDEPs to support participants in progressing to mainstream employment. How successful has it been? It has been an abysmal failure (Shergold 2001: 70).²
On the other hand, it must be pointed out that the scheme has had several manifestations and that it is only recently that it has been viewed, and assessed on the basis of being a vehicle for moving people into mainstream employment (Sanders 2001). In 2001 the Aboriginal and Torres Strait Islander Commission (ATSIC) convened a workshop to discuss possible alternative and appropriate ways of assessing CDEP schemes in remote regions, given that in such areas mainstream labour markets are, and probably always will be, limited.

While not denying that the scheme may leave people economically dependent on welfare transfers, some have suggested that it also allows communities and participants a degree of independence from government and the mainstream labour market, in terms of the form and style of work that they might undertake (Arthur 2001; Rowse 2001; Sanders 1988). That is to say, the scheme may, at one level, increase people’s decision-making power or political autonomy. This paper explores the question of whether it is legitimate to consider such political autonomy as a measure of the scheme’s success, even if it rests on continuing welfare dependency.

**Alternative views of welfare and economic dependence**

Dependency, autonomy, self-determination and similar concepts are often regarded as absolutes and as being unidimensional. People are either dependent or not; or when they are economically dependent this rules out the notion that they might realise other forms of independence (Jackson 1990: 29). The work of the philosopher Isaiah Berlin allows for a wider view. Berlin proposed, for example, that the concept of liberty should be considered in two forms, namely the negative and the positive. Negative liberty is a situation where people have the
power to stop others, such as the government, interfering in their affairs and actions (Crocker 1980: 1; Galipeau 1994: 88–92). Negative autonomy is therefore about being autonomous from the intrusion or the interference of others. Positive liberty, meanwhile, is defined more by what people can actually do for themselves (Crocker 1980: 2). It is about having the power to take actions and to be proactive (Galipeau 1994: 88, 104; Jackson 1990: 29). Therefore, positive autonomy is about having the power to do something, to take and generate actions, rather than just being autonomous from the interference of others.

The distinction between negative and positive autonomy has been used by Robert Jackson to explain the political and economic situation of postcolonial states (1990: 11). He argues that in former times states tended to have both negative and positive autonomy and were relatively independent in most senses of the word. He finds that this is not the case for many new states created during postwar decolonisation. These new states gained political independence, but they became dependent on international economic aid for their existence (Jackson 1990: 112). This is largely because political autonomy is something that could be given (or given back) by the international community and colonial powers, whereas economic autonomy is not, since economic power depends on resources and access to markets rather than on political or moral will (Jackson 1990: 30). Thus while many postcolonial states are relatively free from outside political interference, they remain economically dependent on outside aid. Referring to Berlin’s thesis, Jackson proposes that these new states usually have negative autonomy (autonomy from) but rarely have positive autonomy (autonomy to). This proposition allows that it is legitimate to conceive of situations where political autonomy and economic dependence can coexist.

I have already indicated that people within the CDEP scheme have largely remained economically dependent (on welfare). However, the scheme has several features that can be said to have increased Indigenous political autonomy at several levels and, to a lesser degree, Indigenous economic autonomy.

**CDEP and political autonomy**

**Increased political autonomy for communities**

The CDEP scheme effectively increases the political autonomy of Indigenous communities and organisations by transferring to them some control that was previously held by government agencies. For instance, when people receive normal unemployment payments their primary relationship is with a government agency, namely Centrelink. In this arrangement the unemployed person is required to satisfy Centrelink that they are eligible to receive their payments (Arthur 2001; Rowse 2001: 43). The controlling power is held by the government agency.

This situation is changed in the CDEP scheme. Under the scheme, funds equivalent to people's unemployment benefits, plus on-costs, are transferred to
the community or Indigenous organisation which then employs the participants. The community organisation becomes an employer, and the participant an employee. In many cases, the schemes operate on a no-work, no-pay rule, and this arguably increases the community’s authority or power (Arthur 2001; Rowse 2001: 40, 43). Although the individual is still subject to some control, it now lies in the hands of the Indigenous community rather than with an outside government agency (Sanders 1988: 43). This transfer of power from a government department to an Indigenous community council or organisation arguably increases the political autonomy of the latter.

In addition, like other employers, communities participating in the CDEP scheme must devise the work that participants will do (Martin 2001: 32; Rowse 2001: 40; Sanders 1988). This work is often associated with community public works and maintenance such as that normally carried out by local governments. Although at one level this represents an added responsibility for the community, it also increases the community council’s ability to decide on, and to plan the development of, some of its infrastructure. That is to say, it makes communities relatively more autonomous of government by giving them greater power to decide on and to implement aspects of community development.

CDEPs are relatively large operations. At 30 June 2000 there were some 280 CDEP schemes across the country, ranging in size from 13 to 788 participants. More than 80 per cent had between 20 and 199 participants, and 14 per cent had more than 200 participants. Whereas Australian businesses are predominantly small, having between 1 and 19 employees (Department of Employment, Workplace Relations and Small Business 1998), CDEP schemes are predominantly either medium sized, with 20 to 200 employees, or large, with more than 200 employees (Table 1). It seems reasonable to suggest that managing and finding employment for operations of the size of the average CDEP requires some considerable organisation, and undoubtedly increases the skills levels and managerial capabilities of community councils and the staff of CDEP organisations. Arguably, it furthers their ability to operate more autonomously in the future.

### Table 1. The proportion of Australian firms and CDEP schemes by the number of their employees or participants

<table>
<thead>
<tr>
<th>Number of employees/participants</th>
<th>Size of business</th>
<th>% of CDEP schemes</th>
<th>% of Australian firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 19</td>
<td>Small</td>
<td>2.6</td>
<td>93.0</td>
</tr>
<tr>
<td>20 to 199</td>
<td>Medium</td>
<td>83.4</td>
<td>6.5</td>
</tr>
<tr>
<td>200 and over</td>
<td>Large</td>
<td>14.0</td>
<td>0.5</td>
</tr>
</tbody>
</table>

Source: ATSIC (CDEP section); ABS 2001.

CDEP appears to increase community autonomy in other ways. For example, schemes can give community councils the power to create apprenticeships, training positions, and full time jobs in community schools, health centres, and day-care centres (Arthur and David-Petero 2000). In these cases, the council uses
CDEP to share the cost of full-time jobs or training positions with the relevant government agency funding the facilities, such as the community school. In other cases, CDEP gives communities and organisations the wherewithal to seed and support small businesses and activities which might otherwise not be commercially viable (Altman & Johnson 2000; Gray & Thacker 2000; Madden 2000; Smith 1994, 1996; Spicer 1997: 66).

It has also been argued that the scheme provides communities and their residents with the autonomy to make more culturally-based decisions about the form of work they will undertake. Tim Rowse has described the CDEP scheme as:

a buffer against the compulsion for ways of life to be re-fashioned to meet the demands of the mainstream labour markets ... [T]he subsidy of welfare schemes such as CDEP enables Indigenous Australians to exercise greater control over the many pressures they are subject to, such as the pressure to enter the mainstream economy as wage earners or entrepreneurs (Rowse 1994: 158).

**Increased economic autonomy for individuals**

CDEP may also increase the economic autonomy of participants. Normally, CDEP participants only work for part of the week and their wage is the equivalent of an unemployment benefit. However, communities can also arrange for some participants to increase their work hours and so receive a higher wage. On average, people on CDEP have incomes between 14 and 55 per cent higher than those on standard unemployment benefits (Altman, Gray & Sanders 2000: 357). These higher incomes effectively increase the economic power of individuals.

**Increased political autonomy for ATSIC**

The CDEP scheme can also be said to result in some greater political autonomy for ATSIC, which administers the scheme. Normal unemployment benefits are the fiscal responsibility of mainstream departments like the Department of Family and Community Services and Centrelink. CDEP meanwhile is administered through ATSIC. The annual expenditure on CDEP is around $424 million, which is in the region of 40 per cent of ATSIC’s total operating budget and this alone will add significantly to ATSIC’s economic influence (ATSIC 2000: 22). In addition, decisions over the allocation of the CDEP funds are made centrally by ATSIC’s commissioners, and regionally by its elected regional councils. Without CDEP, any decision-making powers over the equivalent funds would lie with government agencies. Therefore, as well as representing a transfer of economic power from the government to communities as employers, CDEP represents a similar transfer of power to ATSIC’s commissioners and regional councils.

However, not all commentators feel that CDEP contributes to Indigenous political autonomy. Some have pointed out that because many CDEP administrators are non-Indigenous, this increases dependency on non-Indigenous staff rather than increasing Indigenous autonomy (Altman & Taylor 1989: 49). Yet others have noted that where CDEP is administered through an Indigenous organisation, the locus of autonomy is in the organisation and not the community (Arthur 1990).
The point can also be made that autonomy gained by the community council can be at the expense of the autonomy of individuals or family groups. In addition, relatively new CDEP management systems, such as the ‘CDEP Manager’, make ATSIC more accountable to Centrelink (Altman 2001: 2). All of the above caveats are true, but in part only illustrate the relative nature of autonomy. Arguably, CDEP gives communities and their councils and organisations a level of autonomy not available within the mainstream welfare system.

**Conclusion: negative and positive autonomy**

I have argued that CDEP increases the political autonomy of Indigenous communities and ATSIC (see also Rowse 2001: 39). I have also noted that it can, to a degree, increase individual economic autonomy. Indeed, we can suggest that it is the gain in political autonomy at the community level which makes this possible; the two are related. On the other hand, in remote Australia, few of the jobs and activities that are presently supported by CDEP are being replaced with jobs in the mainstream labour market. This is largely because remote locations usually suffer from limited resources and labour markets and this is a difficult set of circumstances to change. For this reason remote Indigenous communities will probably continue to remain economically dependent on outside welfare-based assistance such as CDEP. Therefore, is it valid to propose that CDEPs increase political autonomy when they appear to be based on such economic dependence?

Jackson’s application of Berlin’s separation of autonomy into negative and positive elements may help answer this question. Jackson uses the idea of negative and positive autonomy to explain the situation he observed in postcolonial states. He characterised the autonomy these states had achieved as negative because it has reduced interference from outside influences. This negative autonomy was largely political and existed while the states were also dependent on external economic aid. Importantly then these two dimensions of autonomy were not mutually exclusive: that is to say, one can have negative autonomy without having positive autonomy. Or, using Jackson’s schema, people can have political autonomy even if they are economically dependent.

We can see some similarity with the Indigenous situation as I have described it. The CDEP scheme appears to give Indigenous communities and ATSIC a form of autonomy. This might be characterised as negative autonomy: it tends to reduce government intervention because it transfers some of the power to make decisions about funding and employment from government agencies to communities. Since it has to do with the power to make decisions, it is largely political autonomy. However, it occurs and is likely to continue to occur, at least in remote communities, within a field of economic dependence on welfare transfers.

At the beginning of this paper I noted that ATSIC is considering what measures might be relevant and legitimate for assessing the CDEP scheme’s outcomes. In general the scheme is judged only by economic outcomes, and in particular by its ability to reduce welfare dependency. The scheme does not reduce welfare and so
is generally thought to be failing. This, I would argue, is because dependency and its mirror, autonomy, are largely seen as only having one legitimate dimension—the economic. This tends to suggest that forms of autonomy can only be considered valid when economic dependency is reduced or removed. The approach proposed here is that autonomy, and by extension dependence, can legitimately be considered as having at least two dimensions: the political and the economic. Moreover, these are not contingent on each other; rather, they can coexist. This allows us to accept that there can be political autonomy where there is continuing economic dependence. Such an approach legitimises political autonomy as a measure of the success of CDEP, even in those cases where there is little or no reduction in economic dependence.4

Notes

1. It is this aspect of the welfare system that has recently led Noel Pearson to characterise it as destructive (Pearson 2000: 38).
2. The same commentator noted that out of more than 30,000 participants only 180 (less than 1%) had moved into mainstream employment (Shergold 2001: 70).
3. Although outside the scope of this paper, it may be instructive to compare managerial and work practices across the categories shown in Table 1.
4. Although this paper has focused on the notion of autonomy, the same principles could also be applied to self determination. Indeed, some commentators have already moved in this direction by arguing that self determination is a form of negative autonomy (Beran 1994: 3; Jackson 1990: 6, 27). Thus, it is legitimate to consider that political self determination can exist inside economic dependence on welfare (see Rowse 2001: 42).

References


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