



Committee Secretary
Senate Standing Committees on Community Affairs
Via email: community.affairs.sen@aph.gov.au

24 February 2023

Dear Committee Secretary,

Re: Inquiry into the extent and nature of poverty in Australia

The Northern Territory Council of Social Service (NTCOSS) is the peak body for the Northern Territory (NT) Community and Social Services Sector and is a voice for people affected by social and economic disadvantage and inequality. NTCOSS membership is made up of community managed, non-government, not for profit organisations, which work in social and community service delivery, sector development and advocacy. We represent over 130 members across the NT, including Aboriginal community-controlled organisations (ACCOs), and organisations based in regional and remote areas. NTCOSS's vision is a fair, inclusive and sustainable NT.

NTCOSS welcomes the opportunity to provide a submission in response to the Inquiry into the extent and nature of poverty in Australia. We recognise the specialist knowledge of members and external stakeholders with expertise in matters relating to the Terms of Reference of this Inquiry. NTCOSS supports submissions to this Inquiry by ACCO members and stakeholders, including the Aboriginal Peak Organisations of the NT (APONT), and endorse the submissions provided by Australian Council of Social Service (ACOSS) and their partners.

NTCOSS has previously provided contributions to parliamentary inquiries that explore the extent, nature and impacts of poverty on Territorians, either directly in reflection of the Terms of Reference of this inquiry or of a related nature. NTCOSS attaches previously supplied submissions to the Inquiry into the Social Security (Administration) Amendment (Repeal of Cashless Debit Card and Other Measures) Bill 2022 (Attachment A); Response to National Energy Performance Strategy Consultation Paper (Attachment B); the Inquiry into the Adequacy of Newstart and Related Payments and Alternative Mechanisms to Determine the Level of Income Support Payments in Australia (Attachment C); Cost of Living Fact Sheets (Attachment D); and our most recent Pre-Budget Submission to the NT Government (Attachment E).

Due to the crossover of many of these pieces of work, NTCOSS will be providing a high-level response to the Terms of Reference of this Inquiry.

While this document uses the term 'Aboriginal', we respectfully acknowledge that Torres Strait Islander peoples are First Nations people living in the Territory. Therefore, strategies, services and outcomes relating to 'Aboriginal' Territorians should be read to include both Aboriginal and Torres Strait Islander Territorians.

NTCOSS acknowledges that we live and work on what always was, and always will be, Aboriginal land. We pay our respects to Aboriginal cultures and country, and to Elders both past and present. NTCOSS supports *makarrata* and acknowledges The Voice as a critical steppingstone to truth telling about Australia's colonial history, and creating a foundation to work and walk together to build a future based on equity and freedom. NTCOSS supports a constitutionally enshrined Voice to Parliament to enable Aboriginal people to provide advice to the Parliament on policies and projects that impact their lives and communities.

Inequity and the impacts of poverty in the NT

The NT is home to the highest proportion of Aboriginal people in Australia, with more than 100 languages and dialects spoken across the region.¹ Data from July 2022 showed that there are over 23,000 people currently subject to Compulsory Income Management (CIM) across the region, with 4,000 people at the time on the Cashless Debit Card (CDC).² Of these people, the overwhelming majority are Aboriginal Territorians.

Of the poverty rates in Australia, people living in Remote or Very Remote localities experience much higher levels of poverty than those living in urban centres.¹¹ These high rates of poverty are experienced disproportionately across the NT, with Aboriginal people in particular overrepresented in homelessness and unemployment rates, and in poor educational outcomes.

According to the 2016 census; 81% of the homeless population in the NT were living in severely crowded dwellings (compared to between 16%-45% in other states and territories); the NT has the highest rates of homeless persons living in improvised dwellings, tents or sleeping out, at 48 per 10,000 people; the NT also has the highest rates of persons in supported accommodation; 83% of people who are homeless in the NT are Aboriginal people.³ In 2021, 28% of Aboriginal

¹ Australian Bureau of Statistics, 2016 Census QuickStats, Northern Territory https://quickstats.censusdata.abs.gov.au/census_services/getproduct/census/2016/quickstat/7?opendocument accessed 18th June 2019; Aboriginal languages in NT <https://nt.gov.au/community/interpreting-and-translating-services/aboriginal-interpreter-service/aboriginal-languages-in-nt>, accessed 18th June 2019

² Table 2. Current Income Management participants with an active BasicsCard by state/territory as at 1 July 2022, Department of Social Service, Australia, 'Income management data summary July 2022', sourced on 10 August 2022, accessed at <https://data.gov.au/data/dataset/australian-government-income-management-program/resource/d6404d7b-f3ea-4446-8500-76d54b18215a>

³ Australian Bureau of Statistics, 2016 Census

Territorians aged 15 and over were employed, compared to the 75.8% of non-Aboriginal Territorians in the same age bracket.⁴

As a result, people experiencing vulnerability face further challenges with damaging effects on health, social wellbeing and long-term security,⁵ with poverty and disadvantage becoming further entrenched in our communities.

The primary purpose of Australia's social security system is to provide individuals with a 'minimum adequate standard of living'.⁶ This includes adequate food, water and housing and the continuous improvement of living conditions.⁷ Ensuring the adequacy of social security payments to assist individuals in meeting this standard is of critical importance in supporting those experiencing poverty and disadvantage in our communities.

NTCOSS has long advocated, in partnership with ACOSS, for increased rates of JobSeeker, Youth Allowance and other related payments. The low rates of these payments, and the failure of programs such as the CDP and CIM have further entrenched people in poverty and minimised opportunities for meaningful engagement and participation across our communities.

The National Agreement on Closing the Gap

The National Agreement on Closing the Gap includes priority reform areas that focus on transforming the way governments work with and for Aboriginal people to improve outcomes. The priority reform areas focus on things such as shared decision making and embedding ownership; developing the capacity of ACCOs; and ensuring government agencies and institutions undertake systemic and structural transformation to better contribute to Closing the Gap, while improving accountability.⁶

The Territory has been subject to many policy changes over the years that have adversely impacted Aboriginal people's wellbeing. NTCOSS notes feedback provided in submissions to various other inquiries and mechanisms relating to these negative policy repercussions, such as the NT Emergency Response (NTER), commonly referred to as the Intervention, and the largely adverse impacts these historical policies have had on Aboriginal people and communities in the Territory.

⁴ Australian Law Reform Commission (ALRC), 2017 Pathways to Justice – An Inquiry into the Incarceration Rate of Aboriginal and Torres Strait Islander Peoples, ALRC Report 133, accessed at https://www.alrc.gov.au/wp-content/uploads/2019/08/final_report_133_amended1.pdf

⁵ Ibid.

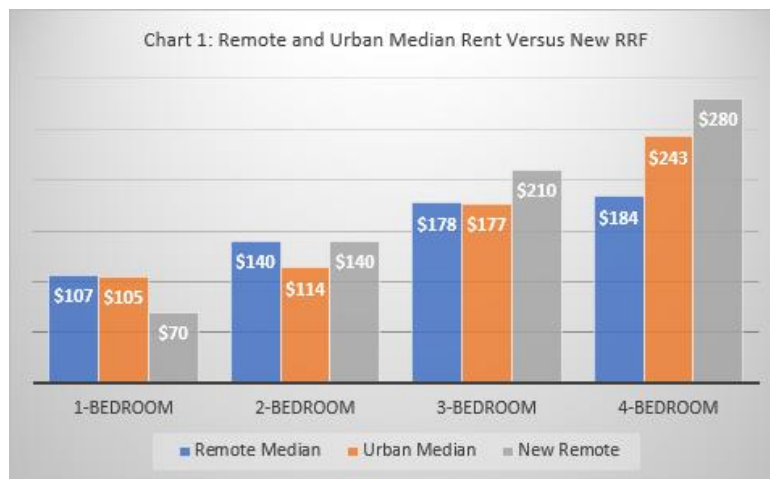
⁶ Closing the Gap In Partnership, National Agreement on Closing the Gap: At a Glance, viewed October 2020, accessed at <https://www.closingthegap.gov.au/national-agreement-closing-gap-glance>

1NTCOSS supports the agency of communities and individuals, along with the Closing the Gap principles, as cornerstones of decision making and service delivery. Legislative reform, policy decisions and any related program or service changes, must be informed and led by local communities with the specialist expertise and cultural knowledge of their lived experience.

Cost of Living in the NT

Remote and regional areas across the Territory face greater cost of living pressures than other regions, impacting long term outcomes in regard to improving the levels of poverty experienced in our communities and the social determinants of health.

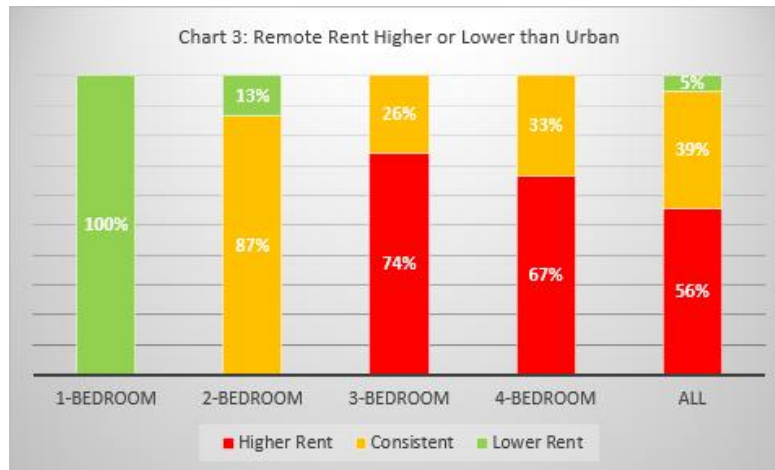
Initiatives such as the Remote Rent Framework⁷ being introduced in the Territory, will arguably further exacerbate cost of living pressures for many Territorians, particularly Aboriginal people in remote areas.



NB -

1. the Remote and Urban median rents are from December 2022 before the new rent model.
2. the median is the middle value in the data. TCAC has selected median as its value is less impacted by high or low data outliers.

⁷ Northern Territory Government, Department of Territory Families, Housing and Communities, Remote Rent Framework, viewed February 2023, accessed at <https://tfhc.nt.gov.au/housing-and-homelessness/changes-to-how-remote-rent-is-paid>



NB -

1. this data includes 2-bedroom (13%), 3-bedroom (26%), and 3-bedroom (33%) on the 6-month safety net.
2. 56% remote households are now paying more rent than urban, 39% are paying similar rent to urban, only 5% are paying less.
3. when the safety net lapses the number of households paying greater than urban will increase.⁸

The greater cost of living experienced by those in remote localities is further exacerbated by transport disadvantage,⁹ with those living outside urban centres impacted on a larger scale. Transport disadvantage exacerbates social exclusion; creates and perpetuates barriers to education and employment; creates barriers to accessing health care; and, can adversely impact health and wellbeing.¹⁰ Improving access to transport would improve individual wellbeing, as well as greater outcomes for overall development of individuals and communities.

Ultimately, increasing and improving access to critical social infrastructure (such as healthcare, employment, justice responses, education, transport and housing) and improving access to programs and services in all localities (urban, regional, remote and very remote), would result in better outcomes relating to the social determinants of health.

The NTCOSS Cost of Living Fact Sheets (Attachment D) highlight cost of living pressures in a range of areas; food, transport, housing and utilities, as well as a number of related recommendations.

⁸ Data provided courtesy of Tangentyere Council Aboriginal Corporation via personal comms.

⁹ Wilson, S., Davis, V., Foster, D., Klerck, M., and Wright, A. (2022). Literature and Regulatory Review: Mparntwe Transport Disadvantage Research Project, NT: Tangentyere Council Aboriginal Corporation.

¹⁰ Ibid.

Remote Employment

The number of Aboriginal people receiving welfare on a long-term basis can be directly correlated with the failure to close the employment gap and address the underlying causative factors of unemployment in remote areas¹¹ (i.e. lack of appropriate employment opportunities that take into account mobility, flexible working practices that accommodate cultural obligations, and lack of training opportunities). The Australian Bureau of Statistics (ABS) found that the proportion of Aboriginal people in remote areas who are employed has stalled or is decreasing,¹² meaning that people are increasingly reliant on government payments or rely on families for support (ie. are on no form of income or income support).

Not only are these payments severely inadequate,¹³ but CIM does not focus on capacity building and independence and has been attributed to making people more dependent on welfare.¹⁴ The deficit of jobs in remote communities was further impeded by the CDP. The CDP is an additional example of punitive, paternalistic and stigmatising policy that overwhelmingly impacted Aboriginal people living in remote and rural areas.

The CDP model, while widely recognised for penalising welfare participants, did not address the deficit of jobs in remote communities, nor focus on developing the labour market. To assist in addressing the above inequality, NTCOSS supports the implementation of the Fair Work Strong Communities proposal.¹⁵ As noted in evidence provided to various other inquiries (see Attachment A and Attachment C) the Fair Work Strong Communities proposal was developed and endorsed by an alliance of ACCO and non-Indigenous CDP providers around Australia and other supporters. Fair Work Strong Communities is a proposal that recognises that it is not just the form of labour market assistance that matters, but the extent to which it can be seen as a vehicle for substantive local decision-making, and the rebuilding of local authority.

¹¹ Central Australian Aboriginal Congress, 2019, Submission to the Senate Inquiry into the Adequacy of Newstart and Related Payments and Alternative Mechanisms to Determine the Level of Income Support Payments in Australia

¹² Australian Bureau of Statistics, 2015, National Aboriginal and Torres Strait Islander Social Survey 2014-15, <http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/4714.0201415?OpenDocument#Publications>

¹³ NTCOSS, 2019, Submission to the Senate Inquiry into the Adequacy of Newstart and Related Payments and Alternative Mechanisms to Determine the Level of Income Support Payments in Australia (public); Australian Council of Social Service (ACOSS), 2019, Submission to the Senate Inquiry into the Adequacy of Newstart and Related Payments and Alternative Mechanisms to Determine the Level of Income Support Payments in Australia - Surviving, not living: the (in)adequacy of Newstart and related payments; Central Australian Aboriginal Congress, 2019, Submission to the Senate Inquiry into the Adequacy of Newstart and Related Payments and Alternative Mechanisms to Determine the Level of Income Support Payments in Australia

¹⁴ Bray et al. 2014, Evaluating New Income Management in the Northern Territory

¹⁵ Fair Work and Strong Communities Proposal, viewed at <https://www.clc.org.au/wp-content/uploads/2021/03/CLC-Proposal-for-Remote-Development-and-Employment-Scheme.pdf>

Poverty and justice responses

Poverty is a driver of criminal offending and incarceration.¹⁶ Incarceration entrenches existing disadvantage and increases the likelihood of further contact with the justice system.¹⁷

People living in poverty (and particularly Aboriginal people living in remote communities) are less likely to receive bail or a community-based sentence due to lack of suitable housing or support services in their community.¹⁸

In the NT, prisoners on remand or subject to a sentence of less than six months do not have access to prison-based programs. Further, social welfare payments are stopped while a person is imprisoned. They also risk losing any housing or employment they did have before their incarceration. Prisoners risk leaving prison at an even greater disadvantage than they may have been at on entry.¹⁹

NTCOSS supports the principles of justice reinvestment. This refers to the redirection of money away from prisons to invest in infrastructure, programs, people and communities to address the causes of offending.

Prevention, early intervention and needs-based models of care

Investment in therapeutic, culturally appropriate primary prevention and early intervention models of care and service delivery would ideally assist in improving outcomes relating to the social determinants of health in our communities, through the provision of services that are centred around long term outcomes with intervention earlier on.

While investing in such services, and ensuring models are fit for purpose to deal with complex cases and intersecting drivers of inequity (such as poverty, homelessness, ongoing impacts of colonisation), ensuring continued service delivery at the crisis point is also important. To assist with this investment, NTCOSS recommends the exploration of ways to deliver funding to jurisdictions based on their relative need of their communities, not based on population.

Poverty is also a structural driver in child protection interventions. The breakdown of child protection notifications across the NT regions reflects this, with greater numbers coming from areas with greater poverty and disadvantage.²⁰ In 2021/22, the average school attendance in very

¹⁶ ALRC 2017, Report 133

¹⁷ Justice Reform Initiative, 2022, State of Incarceration: Insights into Imprisonment in the Northern Territory, accessed at https://www.justicereforminitiative.org.au/state_of_incarceration_insights_into_imprisonment_in_the_northern_territory

¹⁸ NT Law Reform Committee, 2021, Mandatory Sentencing and Community-Based Sentencing Options – Final Report, Report No 47, accessed at https://justice.nt.gov.au/_data/assets/pdf_file/0007/1034638/Final-report-Mandatory-sentencing-and-community-based-sentencing-options.pdf

¹⁹ ALRC 2017, Report 133

²⁰ Office of the Children's Commissioner NT, annual report 21/22

remote schools in the NT was less than 50%. Further, 71% of young people accessing specialist homelessness services were not enrolled in any education or training.²¹ Noting the level of disadvantage experienced in the Territory, there is evidently great need. However, often funding is delivered on a per capita basis or by one-off grants (without appropriate resourcing built into the agreement to monitor and evaluate outcomes) and is not invested on a long-term basis at an adequate level to meet the need of our communities.

Summary

NTCOSS urges the Australian Government to work to create evidence-based programs, centred around meaningful engagement and local decision making, and to work in partnership with communities and in line with commitments such as Closing the Gap to achieve the following:

- Strive to achieve bi-partisan support for makarrata and the critical role it has to play in truth telling and healing for Aboriginal people across Australia;
- Address structural inequality and poverty, through improving social determinants of health, to create stronger communities and better outcomes;
- Community led, meaningful co-design – no top-down approaches – must be the cornerstone of program and infrastructure delivery;
- Implement long term funding models based on need, not population size.

Please contact NTCOSS if you have any questions or require any further information regarding this submission.

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²¹ Office of the Children's Commissioner NT, annual report 21/22