

ACOSS priorities to support First Nations People

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About ACOSS

The Australian Council of Social Service (ACOSS) is a national voice in support of people affected by poverty, disadvantage and inequality and the peak body for the community services and civil society sector.

ACOSS consists of a network of approximately 4000 organisations and individuals across Australia in metro, regional and remote areas.

Our vision is an end to poverty in all its forms; economies that are fair, sustainable and resilient; and communities that are just, peaceful and inclusive.

Summary

This paper outlines several policy proposals that ACOSS has developed in consultation with our First Nations member organisations and allies. They cover a range of areas, including self-determination, poverty reduction, employment opportunities and community development and climate action.

ACOSS is happy to discuss any of these proposals in further detail.

We provide this paper as context for your current priority setting process.

Policies to support First Nations People drive change

[ACOSS and our extensive network of community sector members continue to strongly support the Uluru Statement from the Heart, including Makarrata.](#) While we were devastated at the outcome of the Voice referendum, we take heart that more than 6 million people voted yes.

First Nations sovereignty was never ceded or extinguished, and we must do more to recognise and respect this fact. ACOSS is deeply concerned that the latest Productivity Commission data shows only 5 of 19 measures are on track to reach Closing the Gap targets. Key targets like ensuring First Nations People secure appropriate, affordable housing that is aligned with their priorities and needs are not on track to be met. Key measures are going backwards including in child protection, suicide and incarceration.

ACOSS strongly supports First Nations communities determining their futures and addressing their needs as they see fit. First Nations Community Controlled Organisations must receive priority funding to develop solutions and services for

their communities. Now more than ever, we must listen to and empower First Nations voices, solutions and aspirations for their communities.

Recommendations:

- Government must partner with First Nations peak bodies in policy development as well as the design and delivery of community-controlled programs and services.
- Government must increase funding for First Nations community-controlled organisations to support self-determined, community-led policy solutions and service delivery.
- Government should strengthen the focus on investing in First Nations workers for frontline services, including enhanced coordination and clearer frameworks with states and territories.

These reforms would support meeting the Closing the Gap Priority Reforms 1,2 and 3.

The remote area allowance needs urgent reform

The Remote Area Allowance is a supplementary income support payment paid by the Federal Government to people receiving an income support payment and live in designated remote areas.¹ Approximately 90,000 people receive the allowance, which is paid at \$9.10pw for singles, \$15.60pw for couples (combined) and \$3.65pw per child.² Sixty-nine per cent of people who receive this payment are First Nations People.

The allowance is not indexed at all and was last increased 24 years ago.

It is estimated that living costs in remote areas are almost 40% higher on average than costs in urban areas.³ However, the Remote Area Allowance only increases one's income support payment by 1.6% – 2.8%, depending on the base payment received (e.g., Youth Allowance, pension, JobSeeker Payment).

The largest proportion of people receiving the Remote Area Allowance receive JobSeeker Payment (37% as at December 2023)⁴, which is just \$56 a day, or \$20,400 a year. With the Remote Area Allowance, their income rises to \$57 a day or \$20,900 a year.

This income is well below the poverty line and fails to cover the cost of food, medication and other essentials.

To reduce poverty in remote Australia, the Federal Government must increase JobSeeker, Youth Allowance, and related income support payments to at least \$82 a day – on par with pension payments – and substantially lift the Remote Area Allowance.

¹ Department of Social Services (2023) 'Fact sheet: remote area allowance' December

² Department of Social Services (2022) '5.2.6.30 RAA - May 1984 to present date' Social Security Guide <https://guides.dss.gov.au/social-security-guide/5/2/6/30>

³ Dr Francis Markham (2024) 'The Poor Pay More: why the Remote Area Allowance needs urgent reform' <https://www.austaxpolicy.com/the-poor-pay-more-why-the-remote-area-allowance-needs-urgent-reform/>

⁴ DSS, Ibid.

To ensure the remote area allowance reflects additional costs faced by people in remote areas and continues to do so over time, ACOSS calls for:

- An upfront increase at least in line with CPI since 2000 to reflect the lack of indexation.
- A review of remote area prices to determine what the rate of payment should be to reflect remote costs and to provide an appropriate index for ongoing indexation of the payment.

Recommendations:

- Increase remote area allowance urgently.
 - In the first instance, increase the payment to at least \$26.25 per week, in line with its loss in value over time through inflation and apply ongoing indexation.
 - In addition, a review should be conducted to benchmark the payment more appropriately to remote community living costs to improve adequacy.
1. Increase JobSeeker, Youth Allowance, and related payments to at least \$82 a day and index these payments at least twice per year to wages as well as prices.

This reform would support meeting Closing the Gap targets 8 and 14 and help meet Priority Reform 4.

For further detail on the Remote Area Allowance, refer to [ACOSS's briefing note on the issue](#).

Investigate non-take up of payments

ACOSS is deeply concerned that there are many people who have an entitlement to social security who do not take up social security, or who are receiving the incorrect income support payment (and should be receiving a higher rate of payment). We believe this is particularly pronounced among First Nations communities.

When income management was introduced in 2007 and imposed on First Nations Australians in the Northern Territory, the government found that many people were receiving a lower rate of payment than they were entitled to and placed them on the correct, higher payment. We have also heard anecdotal evidence of people in remote communities being placed on the incorrect, lower rate of payment, which was only corrected when they received specialist legal assistance.

We urge the Federal Government to assess the extent of non-take-up of income support using data it has at its disposal in the first instance and review whether people are receiving all their entitlements.

Recommendation:

- The Department of Social Services and Services Australia should research the extent of non-take-up of income support as well as the barriers to claiming income support. This research should be culturally appropriate and led by First Nations People in First Nations communities. This research should be made public. In addition, DSS and Services Australia should ensure people already receiving income support receive all that they are entitled to.

This work would help meet Closing the Gap targets 8 and 14 and help meet Priority Reform 4.

Establish a national definition of poverty

Despite being a signatory to the Sustainable Development Goals which include halving poverty by 2030, Australia does not have a national definition of poverty.

The ACOSS and UNSW Poverty and Inequality Partnership tracks poverty rates nationally with the latest report showing that more than 3 million people live in poverty in Australia, including one in six children. However, poverty rates among First Nations People are higher than the broader population. Research conducted by Dr Francis Markham and Nicholas Biddle show that in 2016, poverty among First Nations People sat at around 31% compared with 13.3% for the broader population. Dr Francis Markham more recently found that income poverty rates among First Nations people living in very remote areas is shockingly high sitting at 57.1%.⁵

Australia needs to establish a national measure of income poverty to track poverty rates, and ensure it captures rates of poverty among First Nations People.

Recommendation:

- Establish a national measure of income poverty to track the level of poverty in Australia, including among First Nations People.

This reform would help meet Priority Reform 4 under Closing the Gap.

⁵ As at 2021. Dr Francis Markham (2023) 'Submission to the Senate Standing Committees on Community Affairs' Inquiry into the extent and nature of poverty in Australia', 31 October, <https://www.aph.gov.au/DocumentStore.ashx?id=9cff3504-f70f-42a7-b379-a5fda9f7b2dc&subId=750035>

Harsh mutual obligations disproportionately affect First Nations People

ACOSS has been advocating for reform of the compliance system for employment services, which results in a large number of payment suspension threats and suspensions. The system is causing harm across the country, in large part because of the automation of payment suspensions.

First Nations People are overrepresented among people receiving payment suspensions. Latest data show that First Nations People receive 30% of all suspensions applied despite comprising around 16% of Workforce Australia participants.⁶

Although the former and very punitive Community Development Program (CDP) is no longer compulsory, First Nations People continue to be disadvantaged by the mainstream system of mutual obligations. Urgent reform is required to reduce the harm incurred by automated payment suspensions.

Recommendations:

- Urgently remove automated payment suspensions to alleviate the harm caused by the unemployment payment compliance system.
- Invest in First Nations community-controlled employment services and lift investment in employment capacity-building programs such as wage subsidies and vocational education and training that underpin Workforce Australia services and make a difference for people without paid work long-term.

These reforms would support meeting Closing the Gap Priority reforms 1,2 and 3 and targets 8 and 14.

Support First Nations communities in transition to zero-emission economy

Worsening climate change directly threatens the human rights of First Nations People and communities, including their right to water, food, health, housing, employment, cultural practice, and life itself. An inequitable transition to a zero-emission economy also risks leaving First Nations People and communities behind, despite the opportunities to shape policy in a way that can close the gap on health, housing, employment, and economic participation. This situation is worsened by limits on First Nations Peoples' customary access to, and control or ownership of, land and water resources.

⁶ Department of Employment and Workplace Relations (2024) Workforce Australia and ParentsNext Caseload Time Series – October 2022 to August 2024 <https://www.dewr.gov.au/employment-services-data/resources/workforce-australia-and-parentsnext-caseload-time-series-october-2022-august-2024>

There are international examples of First Nations communities having equal share in clean energy projects and supported to use their deep knowledge of Country to address climate change and increase their own resilience.

Governments must support and resource First Nations decision making, self-determination in climate change mitigation, adaptation, and environmental management including through redistributive justice measures. In addition, First Nations People must exercise free prior and informed consent for projects and interventions concerning climate change and the transition to a net-zero economy.

As part of ensuring First Nations People are supported in the transition to a net-zero economy, ACOSS calls on the government to establish a fund to accelerate home energy upgrades for low-income housing, with a Federal Government injection of \$2 billion in the first year, scaling up each year with contributions from other sources. The fund should be used to upgrade all social housing, prioritising First Nations People's housing.

Recommendations and outcomes:

- As part of ensuring First Nations People are supported in the transition to a net-zero economy, ACOSS calls on the government to establish a fund to accelerate home energy upgrades for low-income housing, with a Federal Government injection of \$2 billion in the first year, scaling up each year with contributions from other sources. The fund should be used to upgrade all social housing, prioritising First Nations People's housing. Further detail about this is in the Blueprint referred to below.
 1. First Nations people exert sovereignty and self-determination rights to manage their territories, resources, communities and cultures, including rights to exert free, prior and informed consent over development projects affecting their Country and communities and have opportunities for equal participation in projects.
 2. First Nations communities (especially in regional and remote areas) have improved access to affordable, energy-efficient and climate-resilient housing; affordable, reliable and clean energy; adequate and safe food and water supplies; and employment and revenue-raising opportunities.
- First Nations people engage in and lead development and implementation of climate change responses.

ACOSS notes that these outcomes would support Closing the Gap Targets 1, 7, 8, 9 and 17.

For further detail, please refer to [First Nations Clean Energy Network](#) and our [Blueprint for Fair, Fast and Inclusive Climate Change Action](#).

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