Fremier Trad MP Tabled by At: 1= Time/date: Signature:



MINISTER FOR INDIGENOUS AFFAIRS

Reference: B15/875

The Hon Curtis Pitt MP Minister for Aboriginal and Torres Strait Islander Partnerships GPO Box 611 BRISBANE QLD 4865

Dear Minister

I am writing to seek your support for my proposed approach to the future of Cape York Welfare Reform.

While the initiative is a very important one and has shown signs of achieving many positive improvements especially in relation to community responsibility and school attendance, it does have some limitations. It is an expensive model and one which has not to date shown any real inroads into improving employment outcomes. There are also questions about the extent to which it will be affected by our next steps in response to the Empowered Communities report.

While my preference would be to work with the Queensland Government and Cape York Partnership to find a new, lower cost approach, I am of the view that there is insufficient time for comprehensive reform of the current model before Commonwealth funding is due to cease on 31 December 2015, particularly to implement effective transition arrangements.

As such, I am proposing that we rollover Cape York Welfare Reform for up to two years while significant reform and a lower cost model are developed. This would also broadly align with the two year extension of income management, which was recently announced in the Federal Budget and will continue until 30 June 2017.

As this is a partnership, I would hope that we can both commit to continue joint funding, as has been the arrangement in the past. I am also intending to work with Cape York Partnership on a proposal to reprioritise funding within the existing envelope to drive improved outcomes and meet emerging need in the region.

It will also be essential for us to agree our relative financial commitments in relation to the Family Responsibilities Commission going forward. This has been a difficult point of negotiation in the past and I am keen to ensure an early and fair arrangement that ensures efficient delivery is obtained on this occasion.



If you agree, it would be useful for our Departmental officials to quickly settle the financial arrangements in relation to the Family Responsibilities Commission, Cape York Partnership and other relevant investment in the region.

I look forward to working with you on this important initiative.

Yours sincerely

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NIGEL SCULLION

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