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**NSW Government Submission to the House  
of Representatives Standing Committee on  
Aboriginal Affairs:**

**Inquiry into Indigenous Employment  
August 2005**

**NSW Government Submission to the House of Representatives Standing Committee on Aboriginal Affairs: Inquiry into Indigenous Employment July 2005.**

**Terms of Reference:**

That the Committee inquire into the positive factors and examples amongst Indigenous communities and individuals, which have improved employment outcomes in both the public and private sectors; and

1. recommend to the government ways this can inform future policy development; and
2. assess what significant factors have contributed to those positive outcomes identified, including what contribution practical reconciliation has made.

*\*The Committee has defined 'practical reconciliation' in the context to include all government services.*

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## **(i) Executive Summary**

The NSW submission to the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs confirms the need for all levels of Government to work together to address Aboriginal employment as an urgent priority.

It discusses the disproportionately high rate of Aboriginal unemployment, and the correlation with disadvantage in the areas of health, education, social and economic conditions for Aboriginal people. Aboriginal unemployment may be worse than statistics imply as CDEP participants are statistically considered as employed. Furthermore, where Aboriginal people do gain employment it is predominantly in intermediate and labouring positions.

A concerted effort is required to improve Aboriginal employment opportunities. Partnerships need to be fostered between Aboriginal communities and all areas of Government, and with educational institutions and the private sector.

The NSW Aboriginal Affairs Plan outlines how the NSW Government is working with Aboriginal communities, Aboriginal peak bodies, and State and Federal Government agencies to develop a whole-of-government response to Aboriginal disadvantage that is aligned to the COAG national indicators and priority areas. Economic development and employment are priority areas.

The NSW Government has established several Aboriginal employment, Cadetship, and training strategies to increase Aboriginal employment in the public sector with the aim of creating a public sector workforce which reflects the diversity of the NSW population. Minimum benchmarks of at least 2% Aboriginal employment across all State Government agencies have also been established. Case studies provided in this submission outline how these Aboriginal employment strategies are being implemented in NSW to increase Aboriginal employment and training in practice.

Government strategies to increase Aboriginal employment in the private sector are also detailed in this submission. The Department of Aboriginal Affairs' Aboriginal Communities Development Program and the Aboriginal Housing Office both utilise the Aboriginal Participation in Construction Guidelines and the New Procurement Opportunities for Aboriginal Enterprises Pilot Program as ways of enabling Aboriginal businesses to participate in Government contract work and achieve employment and training outcomes. The NSW Department of State and Regional Development has also provided examples of how they promote and support Aboriginal enterprises.

The importance of Aboriginal community employment initiatives is also addressed. This area of Aboriginal employment often provides critical services to Aboriginal communities. The significant role that Community Development and Employment Programs (CDEPs) play in enabling Aboriginal communities to direct scarce resources toward on-the-ground community needs is discussed. A range of CDEP employment, training and business initiatives are also explored. Binaal Billa's proposal for a cultural centre is included as an example of a financially viable community employment initiative.

The submission also considers the potential impacts of the Federal Government's higher education policy changes on future Aboriginal employment and skill levels. . . . Abstudy can play a critical role in increasing the numbers of Aboriginal young people

involved in further study. Equally, the Higher Education Contribution Scheme (HECS) may act as a financial disincentive to further study by Aboriginal young people.

Finally, an analysis of the obstacles presented by the Activity Test for unemployed Aboriginal people is included. This submission notes that improving the social capital of Aboriginal unemployed people is a more effective approach to addressing unemployment rates than the requirements of the Activity Test.

Improving Aboriginal employment requires a holistic approach. Governments, educational institutions, communities and business have to work in partnership to address education/training, health and broader social needs. The urgency to address unemployment, as the most significant area of continued inequality for Aboriginal people, is becoming even more acute: with up to 40% of the Aboriginal population under 15 years of age, the demand for increased Aboriginal employment opportunities will only increase.

## **(ii) Recommendations**

- (1) Public sector agencies at State and Federal level continue to work together to proactively address Aboriginal employment levels as a key priority.
- (2) A partnership approach is fostered with Aboriginal communities to develop effective Aboriginal employment strategies and apprenticeship/training programs.
- (3) That all Government agencies establish minimum Aboriginal employment targets that reflect the Aboriginal population, that is, 2% or greater. Agencies providing a direct service to Aboriginal people should be encouraged to employ Aboriginal staff numbers that more accurately reflect the percentage of their Aboriginal client base.
- (4) Aboriginal employment initiatives and minimum targets of at least 2% be included in each agency's Equal Employment Opportunity Management Plan, and be reported on annually.
- (5) The Federal Government develop contract procurement and construction guidelines that promote and encourage Aboriginal contractors in the private sector for Government contracts.
- (6) Training and apprenticeship strategies be developed and supported by the Federal Government to specifically address the needs of rural and regional Aboriginal communities, especially considering the shortage of technical skills in these regions.
- (7) CDEP data be treated separately from Aboriginal employment data, unless the CDEP position provides full time employment and a commensurate and sustainable wage to the recipient.
- (8) Adequate resourcing and support be provided to CDEP community-based economic enterprise initiatives.

- (9) That financial disincentives to CDEP participants, with the loss of access to rental assistance and health care cards and other concessions for participants, which are available to the unemployed, be addressed to encourage participation.
- (10) That Abstudy support be extended to all eligible Aboriginal students to address the low rate of Aboriginal educational attainment.
- (11) Aboriginal communities be encouraged and supported to develop local employment and community development initiatives that address the particular needs of their community.
- (12) That activity tests for unemployed persons recognise that Aboriginal people have many factors that inhibit employment opportunities and that punitive enforcement tests further economically disadvantage unemployed Aboriginal people.
- (13) That innovative pilots be encouraged and developed by Governments, in collaboration with the private sector and local communities, to target entrenched Aboriginal unemployment in economically depressed regions, (see section 14.3 Barwon Darling Alliance - Murdi Paaki Socio- Economic Trial Concept).

## 1. Introduction

The level of employment is the key social indicator which directly correlates to the economic, health and social well being of any community. For Aboriginal people the unemployment rate remains disproportionately high compared to non-Aboriginal people. In 2001 the Census indicated that the 135,000 Aboriginal people in NSW suffered a rate of unemployment that was more than 3 times higher than that of the total population, at 23.1% compared with 7.2%.

Aboriginal employment data reflected in this Census however is artificially inflated by the inclusion of Aboriginal people engaged on the Community Development Employment Program (CDEP). CDEP participation is currently statistically treated as being employed, despite not receiving full time employment or a sustainable living wage. Nationally, CDEP accounts for around 30% of all Aboriginal employment, around 33,000 employees. The impact on the real rate of Aboriginal unemployment in 2001 would therefore have been approximately 34% instead of the 20% recorded.

Unemployment is a direct impediment to economic participation, independence, health and educational outcomes. In 2001 Aboriginal household incomes were most highly represented in the \$300-399 per week bracket with the majority of Aboriginal males across all age brackets earning between \$120 and \$190 per week. Unemployment is closely linked to alcohol/drug abuse and the likelihood of interaction with the criminal justice system.

Aboriginal employment participation, where it exists, is overrepresented in intermediate production and transport work, intermediate clerical sales and service work and in labour occupations. The rate of Aboriginal people in these occupations is particularly prominent in the regional areas. A lack of appropriate skills to fill positions and a lack of education and training opportunities hinder many Aboriginal people from participating in skilled positions.

Education levels are equally disproportionate with only 16% of Aboriginal people completing year 12 compared to 40% for the total population. The rate of ownership of housing also reflects this disadvantage with only 16% of Aboriginal people owning their own home, compared to 44% of the total population. A high youth demographic for Aboriginal people in NSW is increasing the urgency to address employment opportunities for Aboriginal people.

Racial discrimination continues to be contributing factor to Aboriginal disadvantage. For Aboriginal people, the prejudiced attitude of some employers remains a significant obstacle to meaningful employment. An active campaign countering racial discrimination is required, in conjunction with positive employment initiatives, to challenge such attitudes.

Improving Aboriginal employment outcomes requires an intensive and determined holistic approach that recognises the impact of factors such as poverty, health, education and regional economic isolation. A concerted approach by all levels of Government is necessary to support and establish Aboriginal employment initiatives in the public, private and community sectors that provide a living and sustainable wage for Aboriginal people.

To achieve this, Governments must resolutely work together to build and maintain partnerships with Aboriginal communities, the private sector and educational institutions to establish new employment opportunities, and improve community development and service provision. Governments and Aboriginal communities must also actively promote and reward skills development, training and further education.

Active involvement of Aboriginal people and communities is an essential prerequisite to the development of effective employment strategies that address the needs of the diverse Aboriginal communities within NSW and across Australia.

## **2. NSW Aboriginal Affairs Plan, *Two Ways Together***

NSW Government's Aboriginal Affairs Plan 2003-2012, '*Two Ways Together*' establishes a framework that is the basis for coordinating whole of government action across key areas. *Two Ways Together* makes Aboriginal people equal partners in developing Government policy and service delivery models, which will improve their lives. The Plan aims to streamline planning, avoid duplication of services and target service provision according to Aboriginal peoples' needs.

'*Two Ways Together*' is aligned with the Council of Australian Government's (COAG) '*Overcoming Indigenous Disadvantage Key Indicators 2003 Report*' and its three priority cluster areas are Economic Development, Justice, and Human Services. The clusters have high-level strategic targets and action plans, which aim to eliminate the gaps between Aboriginal people and the wider population (especially in employment).

Four cross-agency Cluster Groups have been established in the priority areas of Economic Development; Culture and Heritage; Justice; and Families and Community (made up of Health; Families and Young People; Education; and Housing and Infrastructure portfolios). The Aboriginal Affairs Plan Coordinating Cluster, oversees

and co-ordinates the work of the other clusters. Each Cluster Group includes key State and Federal agencies and peak Aboriginal bodies who are responsible for developing action plans that are consistent with the national indicators. Agency heads are required to report biannually against key indicators in the action plans.

## **2.1 Economic Development Cluster**

The Department of Aboriginal Affairs (DAA) is the lead agency for the Economic Development Cluster. The Cluster's focus is to improve the economic well-being of Aboriginal people through job and wealth creation, education and training, and improved quality of life.

Four priority areas, which align with the national indicators, have been identified

- Employment
- Enterprise Development
- Asset Utilisation and
- Training and Skills Development

The Cluster's focus on Aboriginal Employment has developed actions to increase Aboriginal participation in self-employment, and employment in the public and private sectors.

Through the Cluster, funding has been provided to the Illawarra Aboriginal Corporation's *Community Development Employment Project* to deliver a Business Skills Program for Aboriginal Youth. Complementing this Program, the NSW Department of State and Regional Development has developed culturally-appropriate training support material for Aboriginal youth nationally.

Increased Aboriginal private sector employment is being achieved through actions such as the *Aboriginal Participation in Construction Guidelines*. The Guidelines actively encourage Aboriginal employment and enterprise in all Government construction contracts. The *Regional Aboriginal Employment Program* is another cross-agency initiative that will expand regional Aboriginal employment.

The Cluster actively supports Aboriginal community-owned and privately-owned enterprises through the *New Procurement Opportunities for Aboriginal Enterprises Pilot Program*. The Procurement Program links State Government procurement with Aboriginal enterprises, by considering viable Aboriginal enterprises and the value of an Aboriginal cultural perspective.

## **3. NSW Aboriginal Employment Strategy**

The NSW Government recognises the need to increase Aboriginal employment in the public sector in order to improve service provision to Aboriginal people. Through public sector employment, Aboriginal people can be involved in the design and delivery of policy, programs and services to all communities

The NSW Government's *Aboriginal Employment Strategy* provides the policy framework and various initiatives to increase Aboriginal public sector employment. The *Aboriginal Employment Strategy* has established the current target of 2% in the public sector.



The Premiers Department is responsible for managing the *Aboriginal Employment Strategy* and associated programs. It also monitors and reports against the key result areas in the *NSW Government Aboriginal Employment in Practice for NSW Public Sector*.

The *Aboriginal Employment Strategy* has specific programs to meet its targets, including using Aboriginal-identified positions where there are direct services to Aboriginal communities and the targeting of mainstream positions across the public sector.

Current Aboriginal employment initiatives implemented by the NSW Government include:

- **Aboriginal and Torres Strait Islander Cadetship Program for NSW Public Sector –NSW Premiers Department.**  
The Cadetships combine 40 weeks tertiary study and a 12 week work placement in a government agency per year. The agency guarantees permanent employment to those completing the cadetship and funding incentives are available.
- **Apprenticeships/ Traineeships - Department of Education and Training, New Apprenticeships Centres (DETNAAC)**  
New Apprenticeships/Traineeships combine structured training with practical experience with the opportunity for temporary and/or permanent employment on successful completion.
- **Aboriginal Employment in Practice Support Strategy 2004/06**  
NSW Government agencies can receive financial assistance for employing an Aboriginal person in a full time position (if employed between 29/03/04 to 30/06/05).
- **Aboriginal Participation in Construction Guidelines**  
NSW Government agencies are encouraged to engage Aboriginal workers and construction firms in construction, and provide employment and training opportunities. These guidelines will be discussed later.
- **The Elsa Dixon Aboriginal Employment Program – Co-ordinated by Department of Education and Training.**  
Each year, by application, government agencies and local government are offered part-funding for the permanent or temporary employment of an Aboriginal person. The Program also offers a 12-week graduate work experience placement.

### **3.1 Industrial Relations Aboriginal and Torres Strait Islander Unit**

The Office of Industrial Relations Aboriginal and Torres Strait Islander Unit at the Department of Commerce supports the retention of Aboriginal people in both public and private sector employment. The Unit provides advice on industrial relations, employment and related matters, in order to improve employment conditions and retain Aboriginal people in public and private sector employment across NSW.

### **3.2 Factors contributing to success**

Several significant factors appear to contribute to the success of Aboriginal employment initiatives, including those mentioned above.

Chief amongst these factors is the value of partnerships across the public sector and across jurisdictions. For example, the NSW Premier's Department, which is the central agency on public sector employment, and the Commonwealth Department of Employment and Workplace Relations both contribute funding for Cadetships, apprenticeships and traineeships that increase Aboriginal employment in the NSW public sector. Another valuable partnership is with the tertiary education sector, to encourage Aboriginal students to pursue higher education, for example by sponsoring the *Indigenous Australian Engineering Summer School* which encourages engineering studies. The Aboriginal Cadetship program also links tertiary education with public sector employment (see above).

Another important factor is the setting and reporting against a meaningful and measurable target. As noted above, the NSW Government's target is for 2% Aboriginal employment across the public sector. This will be achieved by each agency developing *Aboriginal Employment Strategies* and Equal Employment Opportunity Management Plans (under the *Anti-Discrimination Act (NSW)*) which are measured through annual reporting to the Premier's Department.

NSW Government agencies are encouraged to use these and other initiatives, in order to achieve the objectives and targets set out in the *Aboriginal Employment Strategy*, including effective service delivery to Aboriginal communities and employment opportunities for Aboriginal people. This submission contains other examples of how NSW Government agencies are increasing Aboriginal employment across their agency.

## **4. NSW Health**

The employment of Aboriginal people to help address Aboriginal health needs is a high priority for the NSW Department of Health. The *New South Wales Health Workforce Action Plan*, recently launched by the Premier, has seven key action areas, each of which encompasses Aboriginal employment issues. Specifically on Aboriginal employment, the Action Plan identified the areas of: recruitment, retention, professional development and providing a culturally appropriate workforce that matches community needs.

In 2002, NSW Health established the Aboriginal Workforce Development Unit to address Aboriginal workforce and employment issues, through:

- developing a cultural respect and communication package that ensures NSW Health is a culturally-sensitive workplace and to increase recruitment and retention of Aboriginal staff;
- representing NSW Health on the *Review of the National Aboriginal and Torres Strait Islander Competency Standards and Qualification Framework*, that gives professional recognition and Registration of Aboriginal Health Workers;
- facilitating the Aboriginal Employment Coordinator forum to increase the numbers of Aboriginal workers and their skill level;
- facilitating the *Aboriginal Health Worker Forum* to overcome workplace issues for front-line Aboriginal Health Workers; and

- working with the Centre for Aboriginal Health to develop culturally appropriate *Zero Tolerance* brochures on workplace bullying and harassment for Aboriginal staff.

NSW Health has a partnership arrangement with the *Aboriginal Community Controlled Health Sector* that includes a focus on Aboriginal employment. This partnership has led to the recent establishment of an Aboriginal Health College within the Aboriginal Health and Medical Research Council (AH&MRC). The College will provide culturally-appropriate and Aboriginal health-specific courses to Aboriginal staff in the Community Controlled Health Sector and Area Health Service, including possible mutual Aboriginal employment and training opportunities.

NSW Health provides substantial funding to encourage Aboriginal people to undertake studies and pursue employment in the health sector including in nursing, environmental health, and medicine:

The *Aboriginal Nursing Strategy* provides funding for

- 34 undergraduate Aboriginal Nursing Cadetships;
- 32 Aboriginal-designated Trainee Enrolled Nursing positions and
- more than \$300,000 per annum for Aboriginal people to commence undergraduate studies in Nursing.

The *Aboriginal Environmental Health Officer program* provides funding for one Cadetship per year (including at least two years employment on completion).

The *Indigenous Medical Students Scholarship program*, in partnership with Australian Rotary Health Research Fund, funds ten Aboriginal medical students (NSW Health contributes \$25,000 per annum).

## **5. The Department of Corrective Services Aboriginal Employment and Careers Strategy**

The Department of Corrective Services' *Aboriginal Employment and Careers Strategy 2003-6* aims to increase Aboriginal employment, through recruitment and retention, to better reflect inmate population and provide more culturally-appropriate services. The Strategy and employment of an Aboriginal Careers and Training Officer are in response to the findings of the *Royal Commission into Aboriginal Deaths in Custody*.

### **Recruitment**

Arrangements are being made for training providers in Kempsey and Wellington to give local Aboriginal people the skills to be employed as correctional officers in the new correctional facilities in those towns. At the Mid North Coast Correctional Centre (Kempsey) 17 Aboriginal people have been employed (almost 10% of all employees).

Since 2002, the Department of Education and Training's *Elsa Dixon Program* has funded 24 jobs for Aboriginal people in the Department. The program funded 20 Correctional officer positions and the remaining four were the Aboriginal Training and Careers Officer, Literacy and Numeracy Teacher, Aboriginal Welfare Officer and Services Programs Officer. A further five positions have been funded for 2005/2006.

Through the 1999 NSW Drug Summit, the Department has been funded for eight Aboriginal-identified positions over three years to work with Aboriginal offenders who have an alcohol or other drug-related problem.

The Department encourages Aboriginal people to apply for correctional officer positions by recognising completion of the TAFE course *Aboriginal Access to Further Study (Certificate 111)* as an alternative to completing the Australian Council for Educational Research's literacy and numeracy tests.

In 2001, the Department received a \$110,000 grant from the Premier's *Regional Service Delivery Funding Program* to develop and pilot an integrated vocational education and training program for Aboriginal people as a recruitment and retention tool for careers in the criminal justice system. Other agencies participating in this Program included the Department of Juvenile Justice, Attorney General's Department, NSW Police Service and TAFE. This program has resulted in the *Aboriginal Perspectives on the Legal System* strand in *Certificate 111 – Diploma in Aboriginal Studies Course*. The strand includes a one-week placement in a participating agency and the training of mentors for support and practical workplace learning.

### **Retention**

*Aboriginal Awareness* training courses are regularly provided to existing staff and as an induction course for all new employees to inform them of issues related to Aboriginal people and in particular Aboriginal people in custody. An Aboriginal Staff Network enables Aboriginal staff to meet in the three regions twice a year for peer support and further development.

The Aboriginal Training and Careers Officer supports and advises Aboriginal staff on employment-related issues, including workplace disputes. Through these initiatives the Department has achieved 3.5% Aboriginal employment, in excess of the Government's target of 2%.

## **6. The Redfern Waterloo Authority**

The Redfern Waterloo Authority was established by the NSW Government in January 2005 to deliver social, economic, ecological and other sustainable development to the Redfern, Eveleigh, Darlington and Waterloo communities. The key functions and responsibilities of the Authority are to manage public infrastructure, land and properties in the area and promote the social and economic development of the community.

The *Redfern-Waterloo Authority Act 2004* includes provisions highlighting the importance of the Aboriginal community and their participation on the Authority Board and advisory committees. The specific provisions in relation to Aboriginal employment are:

- *To provide and promote employment opportunities for local residents, commercial opportunities for local business and cultural development (including to address the needs of the Aboriginal community) in the operational area*

The Authority, as part of Stage 1 of the Redfern Waterloo Plan, has introduced a number of initiatives to ensure it meets its obligations to extend employment opportunities for Aboriginal people as follows:

- Redfern-Waterloo Job Agreement with the Construction Mining Forestry and Energy Union to develop skills, training and sustainable jobs for residents of the Redfern-Waterloo area, particularly Aboriginal residents.
- Classification of all construction projects under the Authority's control as Category 1 under the *Aboriginal Participation in Construction Guidelines* (obliging engagement of Aboriginal contractors and employees).
- Development of an Aboriginal employment and training model that uses partnership agreements with training providers, job network agencies, labour hire and group employment companies.
- Inclusion of employment clauses in all construction and leasing contracts issued by the Authority.
- Employment of Aboriginal staff by the Authority to audit the Aboriginal Participation Plans.
- Provision of on-site training facilities for Aboriginal people.
- Identified mentoring support for Aboriginal trainees.

The Authority is currently working on delivering broader employment and training opportunities for Aboriginal people through:

- The Information Technology sector development at the Australian Technology Park.
- Improving school to training/employment paths for Aboriginal school students.
- Cultural industry development on the Block
- Improving educational outcomes for Aboriginal school students through bringing intensive literacy support programs to the area.
- Developing industry Job Agreements in the transport sector.
- Developing MOUs with the local universities to grow educational and employment opportunities for Aboriginal people.

The Authority has identified additional employment opportunities for Aboriginal people in the area and will be working toward maximising Aboriginal employment outcomes across all areas of the Authority's portfolio of responsibilities over the 10 year life of the Authority.

## **7. The Department of Environment and Conservation Indigenous Employment initiatives.**

The Department of Environment and Conservation has a number of Aboriginal employment initiatives including the Aboriginal Cadetship Program, Trainee Field Officer Program, and the Wilcannia Employment and Training Program.

### **7.1 Aboriginal Cadetship Program**

The Program is conducted according to broad guidelines developed by the NSW Office of Employment Equity and Diversity (OEED) where Cadets undertake a combination of formal tertiary education and structured work placement.

The benefits of the program for the individual and the community include:

- Financial assistance in gaining tertiary qualifications.
- The development of skills and improved knowledge and understanding of the host agency and the public sector in general.

- Participating in structured work placement and mentoring arrangements, thereby ensuring exposure to a variety of development opportunities, and support within the workplace.
- An offer of permanent employment with the agency upon completion of the program.

The organisation and community also benefit from the program through the availability of staff with knowledge of, and affiliation with local community groups. The program is also intended to increase Aboriginal representation in professional occupations, and in mainstream positions within the Department, thereby facilitating opportunities for progression into managerial positions.

Although the program has specifically-targeted Ranger positions, it can be used for any position with pre-requisite degree-level qualifications. The Department has recruited a Heritage Information Officer through the program, and is recruiting Cadet Archaeologists. There has been strong interest and support for the program from Aboriginal people across the State, with cadets currently located in Broken Hill, Bourke, Griffith, Buronga, Byron Bay, Murwillumbah, Tumut, Narooma, Ulladulla, and a number of locations within the greater Sydney region.

## **7.2 Trainee Field Officer Program**

The field-based training program, conducted in conjunction with TAFE NSW, involves:

- Enrolment in a Certificate II in Conservation and Land Management (Parks and Wildlife)
- On- and off-the-job training for 12 months leading to qualification as entry-level officers.

The skills developed through the program are transferable to a number of technical and land management positions.

The Department's field positions have significant involvement with Aboriginal communities and greater representation of Aboriginal people in these positions is strongly encouraged.

In addition to the formal employment program, the Trainee Field Officer program has also generated significant interest from local communities. 2005 graduates were located at Great Lakes, Alstonville, Murwillumbah, Hastings, Gloucester, Kyogle, Byron Bay, Bourke, Cobar, Wilcannia, Buronga, Narooma, Nowra and Sydney.

## **7.3 Wilcannia Employment/Training Program**

The Wilcannia Employment/Training Program is located in the Wilcannia/ White Cliffs area in the far west of the State. The program resulted from a State Government commitment to work in partnership with local Aboriginal communities to protect cultural heritage, expand joint management of national parks and provide additional employment opportunities for Aboriginal people.

The program was developed in 2004 to provide development and direct involvement opportunities for members of the local community in natural and cultural heritage management (specifically conservation management in the Paroo Darling National Park). Although focused on immediate employment options, the proposal included contingencies for training opportunities, and the development of long-term employment opportunities.

The main focus of the program is the provision of immediate temporary employment opportunities and comprehensive training opportunities, tailored to the needs of the participants. Some participants were interested in field-based employment within National Parks, and others were more interested in developing tourism opportunities in the far west region, including the employment of heritage guides.

The development of the program included extensive consultation with local Aboriginal elders and community groups, the Wilcannia community, local council and other relevant government and non-government organisations. A pilot program, conducted in 2004, resulted in the employment of ten Aboriginal people on a casual basis, who also participated in TAFE training in tourism (Aboriginal and Torres Strait Islander Cultural Guiding).

The formal recruitment process for the program, conducted in February 2005, resulted in over fifty applications from around the State, with selected applicants offered employment for a two year period, to undertake a variety of tasks including field work and guiding activities within the Paroo Darling National Park and surrounding areas. They will also be provided with the opportunity, and the skills to explore options for the development of sustainable tourism opportunities in the far west of the state, thereby facilitating long-term employment options.

## **8. Government Strategies for Private Sector Employment**

The NSW Government has developed guidelines and strategies to maximise Aboriginal private sector employment and support Aboriginal community-owned and privately-owned enterprises, through the *New Procurement Opportunities for Aboriginal Enterprises Pilot Program*. This Program requires due consideration of Aboriginal enterprises, Aboriginal cultural perspectives and its contribution to the development of Aboriginal programs.

*The Aboriginal Participation in Construction Guidelines* also requires government construction contracts to employ Aboriginal workers and engage Aboriginal contractors, particularly when the building is for Aboriginal community use or is located in a region where there is a relatively high Aboriginal population. The Department of Aboriginal Affairs' Aboriginal Communities Development Program and The Aboriginal Housing Office located within the Department of Housing both utilise these guidelines.

## **9. Aboriginal Communities Development Program**

The Department of Aboriginal Affairs (DAA) manages the Aboriginal Communities Development Program (ACDP), a nine-year community housing and infrastructure upgrade that includes an employment and training program. ACDP has \$240m to raise the environmental health and living standards in 22 priority Aboriginal communities.

The employment and training component provides on-site building and construction training to Aboriginal apprentices and trainees. The training, accredited by TAFE NSW, has been provided to 222 apprentices.

The apprentices/trainees usually work on ACDP building projects, including home refurbishment and construction. Aboriginal Community Building Companies, established following the commencement of the ACDP, manage some of these projects and are also winning contracts to repair NSW Department of Housing's properties.

ACDP are now developing sustainability strategies that focus on post-apprenticeship employment and business development within Aboriginal communities. These Strategies will facilitate the establishment of new businesses or new market opportunities for rural and remote firms. A regional building company, for example, might manufacture housing frames on behalf of a metropolitan building company. While resource intensive, this education and training model is effective.

The DAA has developed Memorandums of Understanding (MOU) with different agencies, including NSW TAFE, to deliver on-site training to ACDP apprentices. MOUs allow TAFE teachers to travel to the communities in which the apprentices live and work, to teach the theoretical components of courses. The MOUs developed by DAA are a sound administrative framework within which VET training can be developed and delivered. DAA is continuing to develop solutions to implementation issues such as on-site training costs and difficulty in recruiting suitable trainers in rural and remote area. The training provided through the ACDP is largely competency-based and is effective as it allows people to acquire their trade qualification according to the acquisition of skills through work contracts rather than by participating for a set period of time. This allows participants to immediately use what they learn in a productive environment. Participants are required to achieve the same quality of work as the commercial sector and are subject to the same Quality Assurance standards. The majority of ACDP participants will achieve their qualifications within three years on a competency-based model compared to four years for time based.

The DAA is also forming partnerships with other agencies to deliver training in additional fields such as strategic planning, policy development, resource allocation and service delivery. In the ATSIC Murdi Paaki region of western NSW, the Vocational and Educational Training (VET) program trains Aboriginal people in the skills to repair and maintain water and sewerage services in communities which face high costs to engage tradespeople. The VET program also provides funding to purchase buildings which will be used as venues to deliver training and educational programs.

## **10. Aboriginal Housing Office and Construction Guidelines**

The *NSW Aboriginal Housing Office Strategic Plan 2000/2001* includes the objective to 'increase the opportunities for sustainable employment in the administration, planning and delivery of Aboriginal housing'.

In January 2001 the *Aboriginal Participation in Construction Implementation Guidelines* committed the NSW government to use its purchasing power to:

- Facilitate the achievement of positive Aboriginal participation outcomes in the form of training, employment, and enterprise development on government construction projects and
- Make Aboriginal participation a common feature of government projects which significantly impact on Aboriginal communities.



The AHO has adopted the practice of engaging Aboriginal builders in its housing programs as the preferred method of increasing Aboriginal participation rates. This has been done through the process of single select tenders, where a single Aboriginal enterprise or individual builder is requested to tender a price for works. Tenderers are also encouraged through their business plans to expand their work into the private sector and other government agencies.

The single select tender process is as follows. Aboriginal builders submit a tender, including a price. The tender, the builder's capacity and financial credentials are reviewed using the same criteria applied to mainstream builders. The tender price may also be compared to mainstream builders for comparable work in the same locality. However, it is recognised that a higher tender price reflects the greater difficulty Aboriginal builders face in commencing and operating their enterprises, including meeting training needs. So, if the price is no greater than 10% of mainstream prices and the tender is accepted, the builder is engaged for a trial period.

Under its Repairs and Maintenance Community Assets Program, the AHO is increasingly contracting with Aboriginal Builders for the works.

In the HFA Upgrading Program alone, results are being seen: in 2002/2003 179 houses (36% of the program) were upgraded by Aboriginal enterprises, up from around 15% in each of the previous two years. During the 2003/04 year, the AHO Upgrading Program engaged eleven Aboriginal builders and enterprises which completed 33% of the program:

Aliv Rae Homes	19
Armidale CDEP	7
Barker Goondee Construction	3
Bunjum AC	9
Diz Home Improvements	61
John Douglas	3
Li Warrama Constructions	1
Ngurrala AC	5
Thungutti LALC	2
Thankakali AC	4
Cardiff Property Services	12
Total	126

In 2003/04, Aboriginal Builders and individual trades contractors were engaged under the Repairs and Maintenance Community Assets Program at Wallaga Lake, Peak Hill, Parkes, Gilgandra, Wee Waa and Orient Point. Contracts have been let to Community Development Employment Programs at Gilgandra (12 houses), Narrandera (8 houses) and Murrin Bridge (12 houses). The program also funded six workers under the Healthy Housing Worker Program in the Murdi Paaki Region that year.

The NSW Aboriginal Housing Board established an *Aboriginal Participation in Construction Working Group* to hold a conference/training workshop for Aboriginal Builders on 6<sup>th</sup> and 7<sup>th</sup> September 2004. This followed on from a larger conference held in 2002.

The *Aboriginal Participation in Construction Implementation Guidelines* are currently undergoing a review of their effectiveness, to simplify and extend their use, with the aim of all Government construction works including Aboriginal employees.

## **11. NSW Department of State and Regional Development**

The NSW Government is working to advance economic development for Aboriginal people, through a whole-of-government approach and complimentary partnerships with the private sector, local government and Aboriginal people. The Department of State and Regional Development (DSRD), as the State's key business and economic development agency, plays a leading role in instituting initiatives to encourage and assist the development of successful and enduring Aboriginal enterprises.

### **11.1 Overview of Aboriginal Enterprise in NSW**

- NSW has more than 2,000 Aboriginal businesses (source: Australian Bureau of Statistics). 2% of the State's Aboriginal population are small business operators, with 70% of Aboriginal businesses run by men.
- Most (more than 55%) Aboriginal small business operators are aged between 25 and 44 years, compared with 44% of non-Indigenous operators.
- The major industries for Aboriginal small business operators are construction (22%), retail (12%), property and business services (11%), manufacturing (8.5%) and agriculture, forestry and fishing (8%).
- By comparison, the leading sectors for non-Aboriginal operators are: property and business services (16%), construction (16%) and retail (14%).
- The leading occupations for Aboriginal operators are tradespeople (23%), managers/administrators (13%), intermediate production and transport workers (12%), associated professionals (11%) and professionals (11%).
- In the non-Aboriginal sector, the leading occupations are managers/administrators (20.5%), tradespeople (18%) and professionals (17%).
- Almost 60% of Aboriginal people in small business earn less than \$600 a week. Only 15% earn \$1,000 or more a week, compared with 22% of non-Aboriginal people.
- One third of Aboriginal small business people have a certificate-level qualification, with 5% holding a bachelor's degree, and another 5% having an advanced diploma or diploma, and 2% holding a graduate diploma, graduate certificate or postgraduate degree.
- Among non-Aboriginal small business operators, 13% hold a bachelor's degree, 29% have a certificate and 8% a diploma.

### **11.2 DSRD Actions to Promote Aboriginal Enterprise Development**

DSRD encourages Aboriginal people and communities to consider small business as a viable career choice and a way to generate employment within their communities. DSRD delivers a range of services and programs to Aboriginal people and communities in business, in both regional and metropolitan areas. DSRD assistance is available to enterprises that are majority Aboriginal-owned or governed and includes business establishment, development and expansion, employing staff, introducing technology and improving products and processes.

Major programs operated by DSRD include:

### **Aboriginal Business Review**

- Assesses the current situation of an Aboriginal enterprise and focuses on identifying steps to build the enterprise. Business reviews, typically costing \$2,500, are conducted by an external business experts and are fully funded by the Department.

### **Aboriginal Business Growth Program**

- Supports Aboriginal businesses to grow by providing one-on-one business support to implement business development steps identified in the business review. The Department provides a 75% subsidy for eligible Aboriginal enterprises up to a maximum of \$5,000 per program for a consultancy by an external business expert.

### **Aboriginal Business Link Program**

- Supports Indigenous enterprise participation in trade shows, such as the *Australian Home and Gift Show*, *Sydney on Sale* and *Australian Tourism Exchange*. The Department provides financial support of 75% of participation costs, including cost of stand hire, up to a maximum of \$2,500 to each firm exhibiting at a trade show.

### **Budyari Ngalaya First Peoples' Business Partnerships Program**

- Supports the formation of partnerships between Australian businesses and Aboriginal people and enterprises. Partnerships between Aboriginal communities and business leaders, facilitated by the Department, receive mentoring and training support, assistance with business systems implementation, access to industry networking sessions and industry-specific information on trends and business practices.
- Aboriginal firms participating in a Budyari Ngalaya business partnership can also access support available from the Department's other programs such as Women in Business, Stepping Up and The Business Advisory Service.

### **Aboriginal Business Mentor Program**

- Delivers business skills development workshops and group mentoring, including site visits by mentors to participants' business premises. A typical Aboriginal business mentor program costs about \$10,000 and involves at least four Aboriginal enterprises (at no cost to participating Aboriginal enterprises).

### **Aboriginal youth business program (proposed)**

- The Department will trial an Aboriginal youth business program in 2005/6, based on the successful *Young Achievement Australia* program. Aboriginal youth will participate in a 16-week program during which they will identify a business idea, form a company to implement the idea and, at the end of the program, wind-up the company. Participants will be supported by comprehensive program manuals and mentoring support during the program.

Pilots will be run at Mount Druitt, Granville and Newcastle. Benefits for Aboriginal participants from the program include development of decision-making, negotiation, risk taking, communication and team skills. The pilot is expected to cost about \$15,000 (at no cost for participants).

The Department's programs are supported by four Aboriginal Business Development Managers and a variety of programs delivered across the State from 18 offices.

### **11.3 How DSRD Programs make Aboriginal Enterprise work**

DSRD believes programs to support Aboriginal business enterprises are successful because:

- DSRD programs are flexible in their delivery;
- DSRD processes requests for assistance from Aboriginal clients within a one-week turn-around which allows for the prompt support.
- The Aboriginal Business Development Managers and the Senior Manager, regularly review DSRD programs to ensure they are meeting the needs of the client base.

### **11.4 Case Study of Successful Actions Supporting Aboriginal Enterprise Chester Bear Cottage**

Vicki Docherty has built a successful business by continuous improvement of her product line, by targeting new customers at trade shows, and by accessing DSRD's Aboriginal Business Link Program. For Vicki, being made redundant from her job eight years ago meant a complete change in professional direction; making bears, which she had never done before.

The business structure Vicki selected for her venture was as a sole trader, giving her full control of the business. She set up *Chester Bear Cottage* in her Wallsend home (west of Newcastle). *Chester Bear Cottage* started out by designing, making and selling bears. Vicki's initial financial outlay was small and she kept putting her earnings back into the business. The business quickly developed to the point where it took over most of Vicki's home.

At about the same time as Vicki established *Golly Gosh*, a retail outlet in the Newcastle suburb of Lambton, she made contact with DSRD and its Aboriginal Business Development Program. After an initial assessment of the company, DSRD helped her through its Business Review Program, providing a business consultant who worked with her on a business plan.

While Vicki's retail and wholesale efforts remain a small business, her limited-edition bears are sold throughout Australia and are much sought after by bear collectors. Vicki accesses new markets by attending trade shows. This has allowed her to test new products while expanding her market. In September 2004, Vicki developed her business further by opening another retail outlet in a large shopping mall in Newcastle.

### **11.5 Young Achievement Australia program in Brewarrina**

In 2004 the Young Achievement Australia Program was run in Brewarrina, through which a group of 12 Aboriginal young people established a business, *Yamagurra* located in the main street of Brewarrina that makes a range of hot sauces. The sauce range includes *Bre's Best Ever Black Sauce* and *Bre Heat* that included a recipe idea for crayfish or perch.

Evaluation of the Brewarrina program showed that the customised program assisted Aboriginal youth to consider small business as a viable career choice. DSRD supported the participants to exhibit and sell their products at the Sydney *Good Food and Wine Show* on 1-3 July 2005.

## **12. The Department of Primary Industries**

The Department of Primary Industries delivers a range of programs that engage Aboriginal people and communities and consider Aboriginal interests in primary industries (agriculture, forestry, fishing and mining). By working closely with Aboriginal communities, training opportunities have been developed that are tailored to meet their specific needs, particularly skills development and certification for employment in the various primary industries sectors,

Below are some further details on specific training programs for Aboriginal people to find employment in primary industries, the management of natural resources and forest management programs.

### **12.1 DPI employment training initiatives**

Murrumbidgee College of Agriculture's (the College) Aboriginal Rural Training Program (the Program) provides Vocational Education and Training opportunities for Aboriginal people from Aboriginal Land Councils, Schools, Juvenile Justice Facilities, Correctional Institutions and Community Development Employment Programs (CDEPs).

The Program has been delivered to participants from more than 20 Aboriginal communities throughout NSW (as well as Queensland and SA). A major component of course is delivered within the communities to allow for social and economic issues, including maintenance of community relationships, enhancement of learning environments, removing financial barriers to study, strengthened staff/student relationships and increased cultural awareness. The Program works very closely with the communities, and the training provided meets their needs, culture and learning styles, and national standards.

### **12.2 Warren Community Development Program Initiative**

During 2004 the Program at the College provided an Indigenous Employment Partnership Project for ten members of the Warren Community Development Employment Programs with funding from the NSW Department of Education and Training's *Elsa Dixon Aboriginal Employment Program*. The project, as part of a Structured Training and Employment Program, provided training in Conservation and Land Management to members of the Warren Environmental Services and Trees Enterprise. Specific training (Certificate II in Conservation and Land Management) was provided in native seed collection and propagation techniques, project management and costing, while starting and maintaining their own Native Tree Nursery for sale to the public. Four participants completed the traineeship and are now entering into a partnership arrangement with a South Australian organization to grow and produce Bush Tucker foods for the wholesale Bush Tucker Industry.

Similarly, a program delivered to the Yorta Yorta community in 2004 resulted in the establishment of a Nursery Business that grows trees on contract to Forests NSW.

### **12.3 Correctional Initiative**

The College's Program also delivers training to Aboriginal inmates from Mannus, Ivanhoe and Broken Hill Correctional complexes in Agriculture and Horticulture, to enhance their skills under nationally accredited training packages. Rural Skills VET includes disciplines such as chainsaw, tractor, forklift and farm machinery operation, farm chemical accreditation, Occupational Health and Safety, and Viticultural skills.

Participants gain employment on Mannus farm units and the skills gained lead to greater post-release employment prospects.

#### **12.4 VET Initiative**

The College's program also delivers nationally-accredited rural VET to Aboriginal juvenile detainees in the Wagga Wagga and Dubbo juvenile justice facilities. Courses offered include chainsaw, ride-on vehicle, tractor, forklift and farm machinery operation, and basic shearing. School-aged participants can gain recognition of their competencies in Agriculture, which are transferable to other registered training organisations and contribute towards traineeships. Participants mostly come from rural and remote areas and these skills make them employable in the rural sector upon release as well as having a very positive impact on self-esteem and self image.

#### **12.5 Youth Development Initiative**

The College's Program delivers activities under its *Wiradjuri Youth Development Program* that targets young Aboriginal early school leavers who have ceased full-time education and training and are unemployed. The 10 week program provides a nurturing, respectful, and co-operative learning environment, where participants gain employability skills such as: punctuality; conflict resolution; work ethics; Senior First Aid; forklift, chainsaw, tractor and machinery operating skills; and work experience placements. The program is run in conjunction with Job Network providers, Community Development Employment Programs, local Aboriginal Community Liaison Officers (Education and Police) and Aboriginal community organisations. One such program recently saw eight out of 11 participants remain in full-time employment within six months of completing the program.

#### **12.6 Aboriginal Staff Development Initiative**

The College's Program, where possible, employs Aboriginal people to deliver training and assessment in its accredited programs (currently three Aboriginal staff). The Program uses non-traditional means to recruit potential employees, including training, professional development and recognition of current skills. This allows staff to move from temporary employment to progress to permanent employment in positions that require more traditional 'qualifications'. For example, a former staff member recently received his Diploma in Agriculture through a 'skills recognition' process for skills and knowledge gained informally in the rural sector and has now secured full-time permanent employment with the NSW Police as an Aboriginal Community Liaison Officer.

#### **12.7 Other DPI Aboriginal employment Initiatives**

##### **Initiative 1 Employment of Aboriginal people for environmental and forestry works**

Aboriginal employees are improving the environment and future timber production in State Forests and providing Aboriginal people with employment skills in natural resource management. This work is funded through the Southern Regional Forest Agreement. Three examples are given below.

##### Micalong Swamp Flora Reserve

At Micalong Swamp, 10 Aboriginal people were recruited from the Tumut and Brungle area through the Binaal Billa Regional Employment and Training Aboriginal Corporation to treat weed infestations to reinstate Corroboree frog habitat. The project involved training on chemical application methods.

### Murraguldrie Flora Reserve.

A project funded under the Southern Regional Forest Agreement employed five Aboriginal people from Wagga Wagga Community Employment and Development Program for two months. This group removed pine wildings which had encroached on the Flora Reserve from the adjacent pine plantation. A cultural heritage survey of flora reserves in the Wagga Wagga Local Aboriginal Land Council area has also been undertaken, providing employment for local Aboriginal people, including Elders.

### Thinning of eucalypt forest

A silvicultural program on the South Coast that is improving the forest condition for future timber production has employed one Aboriginal person.

### **Initiative 2 Aboriginal Business Administration trainee**

The Tumut regional office of Forests NSW has employed an Aboriginal trainee, who is a finalist in the NSW 2005 Indigenous Trainee/Apprentice of the Year.

## **13. Department of Education and Training**

The national vocational education and training strategies, *Shaping Our Future* and *Partners in a Learning Culture*, aims to address the Aboriginal VET agenda from a national perspective. This is the first national strategy to include an objective that targets Aboriginal people through skills development for viable jobs and respecting Aboriginal culture.

'*New Partners, New Learning NSW*' (the NSW VET plan) sets the agenda for Aboriginal VET within TAFE NSW Institutes and has six objectives that provide a holistic approach to educational, social and economic outcomes. The plan implements the Board of Vocational Education and Training's national strategy, its NSW priority areas, and operational framework. The plan will help Aboriginal people obtain the life and work skills needed to succeed.

Specific economic development objectives within this plan are

- *Improving VET outcomes for Aboriginal people in higher level programs especially in apprenticeship and traineeship programs and*
- *Forging new and sustainable 'learning alliances' between Industry, Aboriginal communities and training and education sectors*

TAFE NSW, the national leader in vocational education and training for Aboriginal people and communities, works in collaboration with correctional centres, industry, communities and organisations to improve educational outcomes for Aboriginal people.

TAFE NSW Institutes, through its partnerships with industry and community organisations, supports and initiates customised and formalised training to Aboriginal people and communities. Opportunities for Aboriginal people in the building and construction industry also exist because of sustainable partnerships, including with the Construction Forestry Mining and Energy Union,

Other initiatives include:

- Australia Post – TAFE NSW - Sydney Institute provides job-specific training to increase employment prospects for Aboriginal people in Australia Post.
- NSW Police - Provides the required skills and knowledge for students to undertake further training at the Police Academy in Goulburn to become NSW Police Officers. The partners involved in this initiative are the TAFE NSW -South Western Sydney Institute and the NSW Police service. This initiative is aligned to the *Aboriginal Access to Further Studies* (Certificate III) course.

The challenge is to increase 'learning alliances' between VET sector and industry. Current research indicates that the public sector is the main source of employment for Aboriginal people. Real and sustainable agreements at local, state and national level must be initiated between business, industry associations and VET providers. These agreements would increase the number of Aboriginal people participating in vocational education and training, and providing a foundation for greater economic independence through real and sustainable employment opportunities.

## 14. Community Employment Initiatives

One of the most significant employers for Aboriginal people, however, remains the community sector. Community initiatives establish local and substantial employment opportunities for Aboriginal people. Community initiatives often provide critical services that significantly improve the quality of life for the Aboriginal residents of that community.

Unfortunately, small community organisations, which support the fabric of many Aboriginal communities, can be heavily impacted by unforeseen cuts to funding.

Service provision and local employment through Aboriginal community organisations may also suffer with moves towards the mainstreaming of service provision.

*The Many Ways Forward Report June 2004 - Inquiry into Capacity Building and Service Delivery in Indigenous Communities*, concluded that:

“the overwhelming argument within the evidence has been the need for Indigenous people to be more involved in the design and delivery of services. This functions on many levels from policy advice, to training mainstream providers, to directly providing services, to participating in effective partnerships. The evidence also indicated that in many cases Indigenous people understand the issues and the solutions but are not supported or resourced to implement initiatives in a sustainable way....The evidence suggests no one was better placed to understand location–or community specific issues and to contribute to the design and delivery of targeted services better than indigenous people themselves.”

### 14.1 Community Development and Employment Program (CDEP)

Aboriginal communities have also utilised the CDEP as a way of directing limited resources to essential services that sustain communities and families.

The CDEP scheme was established by Aboriginal communities to pro-actively respond to the impact of passive welfare dependency. CDEP uses funds that would otherwise



have been social security entitlements, which are paid out as wages to CDEP participants.

The fundamental principle underlying the success of CDEPs has been Aboriginal people's control over the design and delivery of CDEP services and the development of effective partnerships. Aboriginal people understand the issues and the solutions in their communities.

In economically disadvantaged communities in NSW, particularly those communities in the west of the State that may have limited infrastructure and opportunities, CDEPs play a vital social function for people. In addition to providing work opportunities, they enhance the social cohesion of communities. Some Indigenous communities are reliant on CDEP as their main source of employment and income.

The diversity of Aboriginal people, communities and locations requires communities to develop specific services targeted to address their particular requirements. CDEPs respond individually to develop their own unique strategies to identify opportunities which may exist and set their own priorities.

In remote communities particularly, CDEP provides employment or financial compensation for the absence of any real and sustainable labour market. For example, Narromine market garden may not be commercially profitable but fulfils an essential need in remote regions by providing fresh fruit and vegetables in a community with high incidence of diabetes and inflated costs for fresh produce.

CDEPs have also established successful businesses, including

- \* Lightning Ridge CDEP has a business that exports furniture overseas
- \* Kempsey CDEP has a Kangaroo Paw Nursery and
- \* Nambucca Heads CDEP has a wood turning business.

However, establishing businesses in more economically disadvantaged regions generally requires greater funding and assistance.

Effective employment generation will require CDEPs to focus on earning enough income from their businesses to top-up CDEP wages and employ people more than two days a week. This will provide more opportunity and incentives for participants to move above the poverty line.

Many opportunities can also be created through joint ventures between CDEPs and private businesses, for example Murrin Bridge CDEP manufactures kitchen cupboards for Meriton Apartments.

CDEPs have also initiated linkages with vocational training, for example, a CDEP supported apprenticeships by providing a wage subsidy to employers (in the construction industry) who took on Aboriginal apprentices. This program attracted strong interest from Aboriginal youth in the region.

CDEP-based training is a successful model for transition into the workforce, though this can depend on the location of the CDEP. Urban areas or regional centres generally have more business and job opportunities than remote areas. In remote areas, the work undertaken by CDEP participants is more likely to be based around municipal service provision and community activities.

However, significant disincentives still exist for CDEP participants. They are treated less favourably than other social security beneficiaries or low income earners. CDEP participants currently receive the same benefits as Newstart recipients but must forego rental assistance and health care cards and other concessions available to people looking for work. These issues could operate as a disincentive, deterring some people from joining the scheme.

A financial incentive for those participating in CDEP activities and undertaking training and/or significant work commitments would support individual participation. The incentives would not only support individual participation but also provide benefits to the entire community. These issues have been under review for some years and are yet to be resolved.

Concern has also been expressed that many CDEP positions are effectively subsidising mainstream service delivery but not providing full employment or a sustainable wage. The Many Rivers region on the north coast of NSW has CDEP positions in healthcare, and as gardeners, teacher's aides and domestic violence workers. The essential work by Aboriginal people on CDEP needs to be recognised and resourced via a full wage for these positions.

#### **14.2 Binaal Billa Cultural Centre**

There are many examples, particularly in the arts and tourism, where Aboriginal peoples knowledge of Aboriginal culture is used to develop local businesses, employ local people and help the social development of Aboriginal communities. These initiatives highlight the importance of local solutions to local issues and are especially important in regional and remote areas.

The Binaal Billa Regional Council has identified as a priority employment initiative the establishment of a Regional Cultural Centre in Dubbo. The Binaal Billa region is home to more than 21,400 Aboriginal people (about 4.1% of the total regional population<sup>1</sup>) and has high rates of Aboriginal unemployment (25% compared to 6.9%)

The local Aboriginal community proposed the commercial Cultural Centre as a tourist/visitor attraction that would be financially viable, and provide significant employment opportunities. The centre would be a business enterprise that generates wealth through retail sales, hospitality revenue and sales of genuine local art and craft. The proposed facility would provide visitors with a diverse range of cultural experiences and showcase Aboriginal history and culture. An education facility will provide programs on Aboriginal history and culture for schools, cultural awareness programs, and a venue for small conferences and meetings. The Dubbo location will be easily accessible to the estimated 545,000 annual visitors and proximate to Dubbo's other attractions.

#### **14.3 Murdi Paaki Trial Socio-Economic Zone Concept**

Local Aboriginal communities are participating in and supporting innovative economic initiatives that target entrenched unemployment. In the Murdi Paaki region, Aboriginal people from communities within the region have joined the Barwon Darling Alliance, which includes the Shire Councils of Bourke, Brewarrina, Central Darling, Coonamble

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<sup>1</sup> ABS figures do not reflect recent Aboriginal population increases in Dubbo which currently has between 8,000 – 10,000 people compared to the ABS figures of 3,399

and Walgett.

The Barwon Darling Alliance is lobbying Governments for financial and in-kind support to establish a socio economic trial zone within the Murdi Paaki region. It is proposed that, within the zone, businesses would receive financial incentives to establish and/or expand their activities. The Barwon Darling Alliance believes that its Enterprise Zone Model, developed with the assistance of the Western Research Institute, can create 400 new jobs. The Alliance argues that the net cost would be around \$2.1million per annum (\$5 million gross) but that savings could be recouped from lower welfare payments, extra GST, and income tax generated.

The Murdi Paaki region covers an area of 145,000km<sup>2</sup>, with an Aboriginal population of 5,561, or 26% of the region's population. The unemployment rate for Aboriginal people in 2001 was at 30% (compared to 10% for the region and 7.2% for NSW) and 29% of the population relied on government welfare programmes. According to the Bourke Community Working Party Working Party, only one Aboriginal person is employed in the Coonamble Shire, which has an Aboriginal population of 800 (or one-fifth of the total population).

Local government area	% long term unemployed
Central Darling	n.a.
Bourke	59%
Brewarrina	75%
Walgett	74%
Coonamble	75%

The harsh reality of the socio-economic status of the region is independently supported in Professor Tony Vinson's *Community Adversity and Resilience Report 2004*. Prof. Vinson finds that the entire region falls into the most disadvantaged category, in areas such as: unemployment, long term unemployment, low income, early school leaving, non-completion of Yr 12 schooling, unskilled workers, low birth weight, child abuse, psychiatric hospital admissions, criminal offence convictions, child injures, imprisonment, mortality and disability/sickness allowance.

The Alliance proposes an enterprise zone that focuses on job creation and using Government incentives to reduce the business investment risk in establishment and expansion. The incentives are a mixture of economic, social and capacity building. Overseas experience suggests that there will be a strong positive flow-on effect from the increased employment on the region's social health (in education, health, crime and general quality of life).

The model has five key objectives:

- Achieve a rate of employment growth of 5%, or 75% of the average employment growth of NSW, whichever is lower.
- Achieve private business investment by existing businesses and 'home grown' businesses at least equal to the public funding provided for the enterprise zone.
- Reduce the official rate of unemployment to less than 9% or less that 1.25 times the average unemployment rate for NSW, whichever is higher.
- Reduce the rate of Aboriginal and long-term unemployment by at least 25%.
- Increase the proportion of the regional population with post-school qualifications from 17.3% to at least 25% over the next 10 years.

A recent survey asked existing businesses if they would expand or establish new businesses if the proposed enterprise zone was put into place for five years and, if so, approximately how many new employees would they require. The survey showed that target of 400 jobs could be easily met. In the UK, research into remote (non urban) enterprise zones found that over 50% of the new jobs in the zones were taken up by the previously unemployed.

Whilst the merits and cost-benefits of the proposal need to be explored, the Barwon Darling Alliance represents a good example of Aboriginal communities, through representative structures like Community Working Parties, coming together with the wider community (Shire Councils) to develop local solutions to unemployment.

## **15. Aboriginal access to higher education**

The impact of Government higher education policies on Aboriginal employment has been significant. The policy changes to Abstudy implemented in 2000 have had a detrimental impact on Aboriginal participation in higher education. The provision of a comprehensive student income support scheme, particularly for Aboriginal people who have traditionally been excluded from accessing education, is an essential component in ensuring both access to and sustained participation in higher education. The effect of policy and delivery changes to Abstudy has been a reduction in the level of entitlements available under the scheme, and a corresponding reduction in the proportion of Aboriginal students who are eligible to access the scheme.

There can be no doubt that since its first inception in 1969, Abstudy had improved Aboriginal peoples' participation in and access to education. It has since undergone a number of substantial policy changes. The changes implemented in 2000, as well as those in 1997, have moved away from the original purpose and operation of the scheme. This was not only to provide a decent level of financial support, but to do so in a way which takes into consideration the particular disadvantage faced by Aboriginal students, with the aim to improve "educational outcomes to a level commensurate with the Australian population in general".

Aboriginal people continue to be seriously under-represented in our public university system. In 2003, Aboriginal undergraduate students made up 1.26% of the total domestic undergraduate student population. In 2000, there was a 15% decline in commencing Aboriginal higher education students. Furthermore, in 2003, the number of commencing Aboriginal students actually decreased again and initial figures from the first semester release of student statistics for 2004 indicate that commencements have again declined in 2004/5.

The 1997 Federal Budget resulted in significant funding cuts to Abstudy leading to declines in the levels of income received by many Aboriginal students, as well as transferring the service delivery aspects of the scheme to Centrelink. Additional changes that took effect from January 1 2000 further aligned Abstudy with Austudy and the Commonwealth Youth Allowance, their operations, income support systems and means tests, as well as further lowering the level of income received by the majority of students. As a result, many of the classifications and procedures now used for Abstudy do not reflect the realities of Aboriginal family and community lifestyles and cultures.

The changes to the income testing measures applied to Abstudy recipients in 1997 and 2000 have resulted in reduced financial assistance for the majority of Abstudy recipients. This occurred at the same time as substantial changes to HECS were introduced. This included the introduction of three bands of differential HECS, increases of between 35% and 125%, and a lowering of the HECS repayment threshold. While HECS is a deferred payment, research indicates that students from lower socio-economic backgrounds are more sensitive to changes in the cost of education.

The social and economic conditions of Aboriginal people represent both a deterrent to and a reason for improving their participation in higher education. At the same time the Abstudy and HECS changes (outlined above) are likely to affect the relative accessibility of higher education for Aboriginal people as well as success rates and retention rates. Higher education is an important tool for social, economic and community development.

## **16. Activity Tests for Aboriginal Job Seekers**

The Centre for Aboriginal Economic Policy Research's (CAEPR) recent paper, *Indigenous Job Search Success* found that job search methods were not related to the probability of finding and retaining employment when a range of other personal and regional factors were taken into account. It found other factors such as educational attainment, health status, region of residence, and lack of a criminal record accounted for the majority of labour market success among unemployed Aboriginal job seekers.

CAEPR's analysis of the effectiveness of job search requirements and activity tests (that require the unemployed to apply for a designated number of positions) showed that increases in search intensity did not result in increased employment rates. The authors explained this finding by the fact that Aboriginal job seekers face a low demand for their labour because they live in regions of relatively low labour demand and their skills and experience reduces their suitability for a broad range of jobs. The stricter activity tests, the analysis showed, had no positive impact on employment outcomes. They also found that with everything else being equal, females are less likely than males to find employment.

CAEPR surmised that while job search policies may slightly improve Aboriginal employment, more effective instruments at increasing the demand for Aboriginal labour are to improve Aboriginal peoples' skills, sound macro-economics policies, and the avoidance of workplace discrimination.

## **17. Conclusion**

Addressing Aboriginal employment in isolation from other areas of Aboriginal life such as health, poverty and education is problematic. Improving outcomes in Aboriginal employment requires holistic responses from all government agencies and from all levels of government. Recognising the importance of Aboriginal culture and experience and the ongoing effects of past government policies is required in order to achieve these improvements.

For many Aboriginal people who have achieved employment, career success and recognition in employment, they will have done so despite the many barriers Aboriginal people face. The current generation of professional Aboriginal people are most likely to be one of the first members of their family to have held a degree or other qualification, or to have possessed a position of prominence in the mainstream workforce. In that respect, recognising Aboriginal people (through career pathways and as role models) who contribute their expertise to policy development and program management is important.

Employment prospects for Aboriginal tertiary students are almost identical to that of non-Aboriginal students, so the emphasis on study and employment should be maintained. Emphasis should also be on providing employment for other Aboriginal people of working age. Given the proportion of Aboriginal people under the age of 15 (around 40%) and a growing gap in literacy and attendance levels of Aboriginal students compared to non-Aboriginal students, programs should also be aimed at school-aged education.