

Introduction

Background

- 1.1 On 23 October 2019, the Minister for Indigenous Australians, the Hon Ken Wyatt MP, asked the committee to inquire into and report on opportunities for employment and economic development for Indigenous Australians. The committee adopted the inquiry and its terms of reference on 24 October 2019.
- 1.2 These terms of reference are listed on page xiii of this report and include the following areas of inquiry:
- Barriers to employment for Indigenous Australians, including access to employment and training;
 - Gaps and opportunities in the workforce that could result in employment and enterprise options for Indigenous Australians;
 - The involvement of Government departments and agencies in facilitating business opportunities for Indigenous Australians.

Conduct of the inquiry

- 1.3 This inquiry was referred to the committee in October 2019. The inquiry proceeded from that time until the onset of the COVID-19 pandemic and was suspended by the committee on 26 March 2020. In the intervening period, the committee was asked to undertake a report on Food Pricing and Food Security in Remote Communities. The committee resumed its work on this inquiry from February 2021.

- 1.4 The inquiry received 85 submissions in total, which included 25 supplementary submissions. Of the total submissions, 20 were written responses to questions taken on notice at public hearings. All submissions are listed at Appendix A.
- 1.5 The committee consulted widely with key stakeholders during this inquiry and conducted 19 public hearings. These are listed at Appendix B. Most of these hearings were conducted by teleconference or videoconference.

Remote travel was not possible due to the pandemic

- 1.6 Most interstate travel, including to remote communities, was not possible for this inquiry due to the continuing situation caused by the COVID-19 pandemic.
- 1.7 The committee had planned to conduct hearings in the Northern Territory and Queensland, including visits to a number of remote Aboriginal and Torres Strait Islander communities, as part of its evidence gathering and had developed itineraries for these trips. This travel had to be cancelled, however, due to border closures and quarantine restrictions.

Themes in the inquiry and report structure

- 1.8 This inquiry was focused on Aboriginal and Torres Strait Islander business and employment policy.
- 1.9 Chapter 2 analyses the issues current facing Aboriginal and Torres Strait Islander businesses and Chapter 3 evaluates the current status of Aboriginal and Torres Strait Islander employment policy. The committee makes recommendations to Government in both chapters which it believes will enhance Aboriginal and Torres Strait Islander Peoples' participation in the Australian economy.

Aboriginal and Torres Strait Islander businesses

- 1.10 There are indicators to suggest that there has been significant growth in the Aboriginal and Torres Strait Islander business sector in recent years. Although the data are limited at present, the Centre for Aboriginal Economic Policy Research at the Australian National University has conservatively estimated in a 2018 study that the number of Aboriginal

and Torres Strait Islander business owner-managers grew by 30% between 2011 and 2016, from 13 700 to 17 900.¹

- 1.11 The Federal Government's Indigenous Procurement Policy (IPP) has been a real success and a source of growth. The number and value of the contracts awarded under the IPP by many government departments have consistently exceeded the targets. The total value of IPP contracts across all government portfolios increased from \$335 million in 2015-16 to \$910 million in 2019-20.²
- 1.12 Now that the IPP is maturing, some further improvements can be made so that consideration is given to both the number and value of the contracts but also employment outcomes and skills transfers for Aboriginal and Torres Strait Islander peoples.
- 1.13 The committee noted the positive role that business hubs, and Indigenous Business Australia (IBA) are playing and the committee wants to see the remit of both the hubs and IBA expanded. The hubs help with tendering and business networking while IBA helps finance Aboriginal and Torres Strait Islander housing and business loans. The committee also saw opportunities in international trade and investment for the expansion of the Aboriginal and Torres Strait Islander business sector.

Aboriginal and Torres Strait Islander employment

- 1.14 The other central theme of this inquiry was the ongoing barriers to sustainable employment pathways for Aboriginal and Torres Strait Islander Peoples. The committee learned from the inquiry that while some industries have pioneered excellent initiatives to enable greater levels of such employment, there continue to be barriers for many Aboriginal and Torres Strait Islander Peoples including a lack of access to high-quality and relevant training, limited access to supportive workplaces, inconsistent mentoring for young Aboriginal and Torres Strait Islander job seekers and few long-term job opportunities. In addition to these workplace obstacles, more frequent interactions with the justice system can create additional barriers with factors like having a police record limiting employability.

1 Siddharth Shirodkar, Boyd Hunter and Dennis Foley, Centre for Aboriginal Economic Policy Research (CAEPR), *Ongoing growth in the number of Indigenous Australians in business*, Australian National University, 2018, p. 4.

2 National Indigenous Australians Agency (NIAA), *Supplementary Submission 8.9*, p. 11.

- 1.15 Remote areas are particularly problematic in this regard and present additional barriers to employment including poor access to transport for employment opportunities.
- 1.16 Current Federal Government employment programs that are designed to engage and place Aboriginal and Torres Strait Islander job seekers into work are discussed in detail in chapter 3 and include Jobactive, Vocational Training and Employment Centres (VTECs), and the Community Development Program (CDP). The committee notes that all these areas are under review by the Government and has made some observations and recommendations to be considered as part of those reviews.
- 1.17 The evidence presented to the inquiry indicated a significant data shortfall to help assess the successful transition of Aboriginal and Torres Strait Islander job seekers into education, training and permanent employment. Better systems and data are needed to design and assess future Aboriginal and Torres Strait Islander employment programs.