



Australian Government
Australian Taxation Office

ATO Submission

Inquiry into the pathways and participation opportunities for Indigenous Australians in employment and business

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Introduction

1. The Australian Taxation Office (ATO) welcomes the opportunity to contribute to the House Standing Committee on Indigenous Affairs' inquiry into Pathways and Participation Opportunities for Indigenous Australians in Employment and Business.
2. This submission addresses the 'terms of reference' related to:
 - the involvement of government departments and agencies in facilitating business opportunities for Indigenous Australians
 - Government employment programs and opportunities to build upon effective initiatives.
3. The ATO is committed to cultural diversity and inclusion of Aboriginal and Torres Strait Islander people. [The ATO 2018–20 Reconciliation Action Plan](#) forms part of this commitment. Our plan outlines initiatives that:
 - support reconciliation
 - provide systemic improvements and opportunities to empower Aboriginal and Torres Strait Islander staff and businesses
 - provide support services to assist Aboriginal and Torres Strait Islander taxpayers.
4. The ATO's approach to diversity includes having awareness, acknowledgement, and respect for Aboriginal and Torres Strait Islander cultures. The ATO aims to build and maintain respectful relationships with Indigenous Australians – within the ATO and in the community.
5. As a large public sector organisation the ATO is well placed to provide valuable employment opportunities and pathways for Indigenous Australians and to support Indigenous businesses.

Supporting Indigenous businesses

6. The ATO supports Indigenous communities through our supplier diversity initiative, procurement activities and our engagement with the Indigenous business sector.
7. As part of the government's Supplier Diversity Program, the ATO is an active participant in quarterly Supply Nation Leadership Roundtables. These events bring together Australia's top supplier diversity professionals to share knowledge and collaborate across industries to further their supplier diversity programs.
8. The ATO's supplier diversity initiative promotes awareness of the government's [Indigenous Procurement Policy](#) (IPP) and encourages staff to consider Indigenous businesses when procuring goods and services.
9. The IPP mandates the consideration of Indigenous businesses for purchases valued between \$80,000 and \$200,000. The ATO has made a further commitment to consider Indigenous businesses as part of all ATO purchase decisions for goods and services, regardless of value.
10. The ATO has consistently exceeded the government IPP targets since the policy was first introduced on 1 July 2015.
11. Between the 2016 and 2019 financial years, the ATO spend with Indigenous businesses increased by 14% and the number of contracts between the ATO and Indigenous businesses has more than doubled.
12. In 2018–19, the ATO had 171 active contracts worth over \$32 million with 42 Indigenous suppliers, exceeding the government IPP target of 132 active contracts. For the current 2019–20 financial year, as at November 2019, we have active contracts worth close to \$19 million.
13. The ATO's commitment to supplier diversity has been recognised in the Supply Nation's Government Member of the Year Award, which the ATO was awarded in 2016. We have been a top 3 finalist in recent years.
14. In 2019, the ATO were also a finalist in the Commonwealth Procurement Excellence Awards in recognition of our work with Indigenous small businesses.

Reaching out to Indigenous small business owners

15. The ATO understands that Indigenous businesses face unique challenges for example sometimes internet connectivity or technology issues due to being in a remote location and cultural differences. By tailoring our education and assistance to Indigenous business owners, we are able to help them comply with their tax and superannuation obligations.
16. The Evergreen Program is the ATO's flagship initiative for Indigenous Australians looking for an entry pathway into the ATO. Participants from the Evergreen Program designed an Indigenous small business support program, called [Reach Out](#), which was successfully piloted in the 2018-19 financial year in Queensland.
17. The Reach Out pilot seeks to establish strong relationships with the Indigenous community, improve their experience with the tax and super system, and helps Indigenous small businesses meet their tax and superannuation obligations through tailored support and education
18. The Reach Out program will contribute to the Federal government's Indigenous Business Sector Strategy by helping more Indigenous people build sustainable businesses that will support themselves, their families and their communities.
19. Under the pilot, dedicated teams of Indigenous ATO staff delivered nine education workshops in Brisbane, Ipswich, Palm Island and Darwin, and provided one-to-one support to 23 Indigenous small businesses.
20. These teams participated in local events, such as the Palm Island Indigenous Business Month. They established partnerships with 11 intermediaries and developed strong local relationships via networking events reaching around 450 Indigenous businesses. For example, connecting with Queensland Indigenous networks like the Black Coffee Indigenous Business Network of small business owners, who meet to discuss business issues, successes and ideas.
21. Key outcomes from the pilot include:
 - providing Indigenous businesses with a sense of importance and support, particularly in remote areas
 - gaining insights into the needs of Indigenous businesses.
22. These insights have allowed the ATO to develop new educational products including 'Starting an Indigenous small business', which was launched during 2019 National Reconciliation Week. A tailored 'Indigenous GST registration' fact sheet – an online resource to help new Indigenous businesses – is currently being developed.
23. Given the success, the Reach Out pilot will be expanded to New South Wales, South Australia and Victoria from January 2020. Under the program, the ATO plans to deliver 132 workshops and other activities in 2020. The workshops will cover topics including Starting an Indigenous Small Business, Indigenous Tax Essentials and Paying your regular financial commitments.

Engaging individuals and supporting communities

24. The Australian tax system is based on self-assessment, which means people need to know what to do to be willing participants. The ATO appreciates that this participation can be hindered by a range of factors including remoteness, limited access to technology, varying levels of financial literacy, cultural sensitivities, and language barriers. The ATO has been working with both government and non-government partners to assist Aboriginal and Torres Strait Islander people and communities to address these boundaries.
25. The ATO has found ongoing education and face-to-face engagement, particularly in regional and remote areas, has assisted these communities to confidently participate in the tax and superannuation systems. The ATO works closely with government and non-government partners to offer a range of programs and initiatives to support the community and build financial capability.
26. In 2019 the ATO visited remote communities in far north Queensland, presenting on tax and superannuation to Indigenous students. Student engagement was very positive.
27. The ATO runs a Tax Help program with ATO trained community volunteers providing help to fellow community members. In 2019 training was provided to volunteers in Galiwinku Elcho Island, Tennant Creek, Moogji and far north Queensland communities.
28. Our Indigenous Helpline, which has been operating since December 2011, is a service that is largely purposed to serve the needs of Indigenous Australians. Our staff on this Helpline understand that some Indigenous people may have difficulty proving their identity, and can support them through these challenges. In 2018–19, there were over 19,500 inbound calls to the Helpline. From 1 July to 29 July 2019, there have been almost 6,000 calls to the Helpline. The ATO participates in the biennial National Aboriginal and Torres Strait Islander Education Conference (NATSIEC). This conference brings together educators, community members, leaders and students from across Australia. Through the conference the ATO engages with Indigenous educators and students and provides tax and superannuation information to Indigenous youth. At the last conference in 2018, the ATO assisted 41 Indigenous teachers and students.

Community outreach programs

29. In 2019 the ATO participated in 29 Indigenous community outreach events, engaging with 1,022 Indigenous individuals to provide information and assist with a variety of tax and superannuation matters.
30. The ATO continues to partner with First Nations Foundation, a charity focused on Indigenous financial literacy. Through our work with the First Nations Foundation, the ATO provides education about entitlements, reunites clients with their lost super, and assist to consolidate multiple accounts.
31. Part of this commitment includes the delivery of the Big Super Day Out (BSDO) events in remote communities. These events bring together a number of superannuation industry experts to help Indigenous Australians learn about, and reconnect with their superannuation. Assistance provided through these events can have life changing outcomes for people.
32. In Mid-July 2019, we participated in First Nations Foundation's Big Super Day Out Events in Darwin, Kununurra and Broome, assisting 501 people reconnecting with over \$9.545 million in super.

33. In July 2019, we participated in Big Super Day Out events with QSuper on Thursday Island.
34. We also partnered with the First Nations Foundation in August 2019 to participate in their second Big Super Day Out event in East Arnhem Land.

Australian Institute of Superannuation Trustees (AIST) Indigenous Superannuation Working Group

35. The ATO is actively involved in the Australian Institute of Superannuation Trustees (AIST) Indigenous Superannuation Working Group (ISWG). This is a cross industry initiative that seeks to improve superannuation outcomes for Aboriginal and Torres Strait Islander people. The working group's members include superannuation industry bodies, superannuation funds, and representation from the First Nations Foundation. A focus of the ISWG is to improve the experience in relation to deceased estates.
36. With the ATO's focus on improving the super experience for the indigenous community the ATO has reviewed and improved its disclosure of information procedures with respect to relatives of deceased estates and the Identification issues. We understand that this can be a very difficult time for relatives and at this time of sorry business.
37. The ATO knows that the process of finding and claiming super for deceased estates can be very difficult, particularly for those living in remote areas. To improve access to super accounts for relatives of Indigenous deceased estates we've changed our procedures to allow the release of information where the deceased member is listed on our Lost Members Register or the Unclaimed Super Money Register.
38. Where a deceased member is not on those registers and there is a super account in existence that is held by funds, we work closely with industry to ensure relatives are informed of the existence of such accounts.

Providing employment opportunities and pathways

39. The ATO recognises the importance of having a diverse workforce that reflects the community we serve.
40. The ATO is committed to a range of programs that increase the representation of Aboriginal and Torres Strait Islander employees and partners with the Australian Public Service Commission (APSC) to recruit candidates through their Indigenous Pathways programs.
41. The ATO's Reconciliation Action Plan outlines the contribution that Aboriginal and Torres Strait Islander people bring to the ATO. The plan details the value of recruiting and retaining Aboriginal and Torres Strait Islander staff and suppliers.
42. ATO employment programs play a crucial role in attracting new Indigenous employees. In addition to our general programs, which are open to all Australian citizens, we have specific programs for Aboriginal and Torres Strait Islander people.

Evergreen program

43. The ATO Evergreen Program combines work experience rotations and formal training over an 18 month period. Participants who complete the program gain an accredited qualification and a permanent position with the ATO.
44. The Program is one of the ATO's most successful entry-level programs. Its focus on career development and investment in educational qualifications for participants has resulted in retention rates more than doubling since the Program's inception in 2014.
45. The program was initially designed in consultation with Indigenous employment providers. The ATO now uses participant feedback for continuous improvement and maintenance of the program.
46. Applications for the program open every 12 months. We currently have 194 Aboriginal and Torres Strait Islander employees who entered the ATO via this program.

Indigenous cadetship program

47. The ATO's [Indigenous Cadetship Program](#) is a 1–3 year development program for Aboriginal and Torres Strait Islander students undertaking undergraduate degrees in a range of disciplines including law, accounting, business, communications, human resources, design, and STEAM.¹ The program combines the participants' university study with practical work placements within the ATO. Once participants graduate the program and complete their degree they are offered an ongoing full time role.
48. Some of the benefits of the program include:
 - an offer of permanent employment in the ATO to participants on completion of their degree
 - financial assistance for costs associated with participants' studies while they complete their degree
 - participants are paid a salary during their time on the program.
49. The ATO has retained approximately 45% of participants as employees, however the greater benefits of the program are the opportunities afforded through completion of tertiary studies.

¹ Science, technology, engineering, arts, and mathematics.

Beyond entry-level

50. In addition to a significant focus on entry-level programs, the ATO realises the benefit of investing in staff to help them advance to higher level roles and to attract talented candidates for higher level roles. To support the development of Indigenous staff the ATO has a range of initiatives that provide employment and career development opportunities. This includes:

- **Indigenous Australian Tuition Assistance Program** – the ATO provides support to Aboriginal and Torres Strait Islander employees seeking TAFE, university studies or to increase existing tertiary qualifications.
- **Regional presence career development workshops** – in partnership with the APS Indigenous Champions Network, the ATO has delivered workshops to support career development for Indigenous employees in regional areas.

Each forum is co-ordinated by a lead agency on the Regional Presence Working Group. Forums provide career advice and guidance on applying for a promotion with workshops on:

- career development
 - resume writing
 - writing applications for promotions or lateral transfers
 - interview techniques, including opportunities to apply those techniques in mock interviews.
- **Indigenous Employee Secondment Program** – the primary focus of the program is to increase knowledge and capability of Indigenous employees by providing opportunities to work across Australia.
 - **Use of affirmative measures** – the ATO utilises Indigenous employment provisions as a key recruitment strategy to increase Indigenous employment representation.²

Additional programs

51. The ATO also participates in a range of additional programs to provide employment and career development opportunities:

- **Student Scholarship Program** – starting in 2019, the ATO has been partnering with the Goodes O’Loughlin (GO) Foundation to provide scholarships to support Indigenous year 10 to 12 students in their education. The long-term objective is to increase Indigenous employment rates within government agencies.
- **Jump-Start Program** – the ATO is collaborating with TAFE NSW on this new program, which helps to prepare students for the workforce. It combines casual work and TAFE studies, and provides participants with the opportunity to progress to full-time ATO employment for up to 12 months.
- **Indigenous Internship Pilot** – starting in 2018, the ATO has been partnering with CareerTrackers to recruit Indigenous university students to undertake work experience (up to 12 weeks) during their summer academic break
- **APS Indigenous Graduate Program** – The ATO supports this program by offering successful candidates a place in the ATO’s award winning 12-month intensive [graduate program](#). Of the five Indigenous participants joining our graduate program in 2020, one is joining from the APS Indigenous Graduate Program.

² These provisions can be applied to any employment opportunity at any level within the ATO.

Supporting Indigenous employees

52. By promoting and valuing workplace diversity and inclusion we see benefits such as higher employee engagement, improved performance, greater innovation, retention of talent, improved wellbeing and lower levels of harassment and discrimination. To support the inclusion for the ATO's Aboriginal and Torres Strait Islander staff we have a range of initiatives in place, including:
- **Cultural Awareness Training** – the ATO has developed a training package to increase all staff awareness of the cultures, customs and experiences of Indigenous Australians. The training is facilitated by Aboriginal and Torres Strait Islander people who provide local cultural information for staff to better assist and support their Indigenous colleagues, our clients and their communities.
 - **Indigenous Liaison Officers and HR Advisors** – these officers help to provide a supportive workplace for indigenous employees.
 - **Professional Development and Leadership Roundtable** – we hold an annual roundtable to identify and develop initiatives to improve retention and career development opportunities for Indigenous Australians. Through this roundtable, we gain valuable insights directly from our Indigenous employees. The 2019 roundtable was facilitated by an Indigenous owned organisation, Marumali Consultations.
 - **Indigenous Employee Network** – Moondani provides a support network for Indigenous employees to share experiences and gain strategic advice on workforce matters impacting Aboriginal and Torres Strait Islander employees.
 - **Ally Network** – the ATO's ally network, Kawutilin, provides an opportunity for non-Indigenous employees to support their Aboriginal and Torres Strait Islander colleagues.
53. The ATO has a range of initiatives and development programs that support Aboriginal and Torres Strait Islander staff. As a result there has been an increase of professional opportunities and employment for Indigenous staff in the ATO.

