



Response to ISEP Discussion Paper

Yilabara Solutions

Chief Executive Officer

Introduction

Yilabara Solutions welcomes the opportunity to provide a submission in response to the Indigenous Skills, Engagement and Employment Programs (ISEP) Discussion Paper

Yilabara Solutions has been established to increase the number of Aboriginal people achieving economic independence through improved access to vocational education and training (VET) and sustainable employment.

Yilabara Solutions is committed to establishing:

- tailored recruitment solutions for employers to commence, increase and retain their current Aboriginal workforce profile
- new or enhanced economic opportunities for Aboriginal communities to increase their overall Aboriginal employment profile
- partnerships that are committed to the economic development of Aboriginal communities.
- a state-wide pool of Aboriginal candidates to increase supply to meet the demands of industry
- innovative projects that improve the accessibility of employment for Aboriginal communities.

Yilabara Solutions provides a significant opportunity for Aboriginal communities through leading by example with innovative and evidence-based solutions designed to link Aboriginal job seekers with employment opportunities available in growth and other industries.

Yilabara Solutions is a subsidiary of the NSW Aboriginal Land Council (NSWALC) established under the Aboriginal Land Rights Act 1983 (NSW) (ALRA). NSWALC is a self-funded statutory authority responsible for protecting and promoting the rights and interests of Aboriginal people in NSW. Yilabara Solutions is a 100% Aboriginal owned and controlled organisation with NSWALC as its sole member.

Yilabara Solutions has the full support of NSWALC and its network of 120 Local Aboriginal Land Councils across NSW.

It is essential in today's environment that Government works closely and collaboratively with Aboriginal organisations to ensure that policy settings are practical and reflect the cultural needs of Aboriginal Communities.

Research undertaken by Yilabara Solutions demonstrates that Aboriginal organisations are significantly under-represented in the delivery of employment services across non remote regions nationally and in NSW. Yilabara Solutions welcomes the opportunity to work alongside Government to ensure that there is a clear Aboriginal voice in the design, delivery, evaluation and review of employment services. This approach will build the confidence of Aboriginal organisations re-entering the sector. We are committed to working with Government on testing and reviewing different concepts for ISEP to ensure that the new Closing the Gap targets are met.

Yilabara Solutions brings to the table a clear commitment to support the economic development of our Aboriginal Communities and to ensure that Government has access to a thought leader in how to shape programs that will meet the needs of Aboriginal Communities. Yilabara Solutions also brings to the table its national network of Aboriginal Organisations and the collective cultural wisdom that comes with this network.

Our response to the questions posed in the ISEP discussion paper follows.

How should the Indigenous skills, engagement and employment Program (ISEP) work alongside the new employment services model and the new remote engagement program to build work-ready skills and connect Aboriginal and Torres Strait Islander people to rewarding, sustainable jobs?

ISEP is a welcome announcement from Aboriginal providers and is viewed as an important opportunity to completely reshape how Aboriginal employment is addressed across the nation.

If ISEP is to be more than a simple program rebrand there needs to be a serious commitment to reform and reflection by the Department of Education, Skills and Employment (DESE). ISEP is currently labelled by both DESE and the National Indigenous Australians Agency (NIAA) as a complementary program to mainstream employment programs which include the New Employment Services Model (NESM), Disability Employment Services (DES) and the Remote Engagement Program (REP). This type of labeling has historically created a culture of opt in or opt out by mainstream contract employment service providers, serving to undermine the effectiveness of NIAA funded employment programs like Vocational Training and Employment Centres (VTEC).

There are three critical challenges that need to be overcome to ensure programs like ISEP are successful in improving Indigenous employment outcomes:

1. **Under-representation of Aboriginal Providers** – The absence of Aboriginal organisations in the delivery of mainstream employment programs has had a significant impact on collaboration between mainstream employment programs and Indigenous specific complementary programs. This is particularly evident in *jobactive* which currently supports over 100,000 registered ATSI jobseekers nationally and only two Indigenous providers.
2. **Under-performance of Mainstream Contracts in improving Indigenous Employment outcomes**– We continue to receive feedback from DESE on the under-performance of mainstream providers in addressing Aboriginal employment outcomes. Due to limitations in their ability to engage with and retain Aboriginal job seekers, this underperformance has also significantly impacted complementary programs. As a current Aboriginal provider of complementary employment programs, we are continually told by mainstream employment service providers that they do not have any 'job ready' ATSI jobseekers on their caseload. This resulting effect is that both Identified and mainstream jobs sourced from large and small employers remain either unfilled or staffed with non-Indigenous staff due to low or no-referrals from mainstream employment service providers.
3. **No formal measures for Collaboration** – There are no formal mechanisms or requirements for formal collaboration between mainstream employment service providers and complementary program providers and collaboration is not included as a key performance indicator in mainstream employment contractors. As a result there is little incentive for mainstream employment services to collaborate with complementary programs to the detriment of Indigenous job seekers.

To ensure that ISEP can work alongside mainstream employment programs several changes need to occur including:

- **Collaboration Measure** – Creating evidence and monitoring performance is the best way to drive change in provider behaviour generally and in relation to Indigenous employment outcomes. Given this, it is proposed that a collaboration measure be included in ESS requiring providers to indicate if a placement is ISEP-related (like the current labour hire flag). This would help to drive mainstream employment service provider improvements in supporting Indigenous job seekers to gain employment. Including this measure in the NESM performance framework would in turn send a message to mainstream employment service providers that engaging with complementary program providers is a requirement rather than voluntary.
- **Referral Measure** – Introducing a system that enables the tracking of referrals between ISEP and mainstream employment service providers would provide an additional mechanism for demonstrating collaboration. Currently we manually track all vacancies that we promote, and all referrals received from *jobactive* and DES providers across Sydney and the Illawarra regions. This data enables us to monitor which mainstream providers are referring to us and those that are not. Providing DESE and NIAA with this level of visibility would drive change in the level of collaboration between mainstream employment service providers and those delivering complementary employment programs.
- **Indigenous Pre-Employment Program** – There needs to be greater commitment to supporting Aboriginal job seekers to become more job ready and more confident to enter the job market. ISEP providers could effectively be positioned as the Indigenous pre-employment training provider in each region. This role could range from establishing formal skills-based pre-employment programs to behavioral, self-esteem and resilience building programs. This approach could be as simple as formalising a range of key performance indicators between mainstream employment providers and ISEP Providers. For example, NESM providers could be required to actively engage with ISEP providers twice a year to embed Aboriginal employment training into their ESA/LMR. By taking this approach ISEP providers would actively be working with mainstream providers to increase their pool of job ready ATSI clients. It is important to note that the cultural profile of mainstream providers is 95%+ non-Indigenous, adversely impacting the successful engagement of ATSI jobseekers.
- **Case Management** – The current funding model for VTEC does not reflect the contemporary models used by DESE and DSS for mainstream employment programs, nor other NIAA employment service models (i.e. CDP). Under these programs, service fees are paid in recognition of the costs incurred by employment providers in readying job seekers for employment including case management. In the case of the successful, Transition to Work (TTW) program targeting young people aged 15-24 years of age who are at-risk and from disadvantaged backgrounds, up-front payments or service fees represent 85% of revenue and outcome payments 15%. In the case of NESM, up-front payments will represent 60% of revenue and outcome payments 40%.

Currently VTEC providers have no capacity to case manage Aboriginal job seekers as we are there purely to reverse market guaranteed employment. This limits our ability to effectively engage with our own community members and to support them to become job ready. Given the design of NESM piloted by DESE and the benefits of TTW it is disappointing that ATSI job seekers

continue to be serviced by a model that is failing to meet their employment support needs. It is strongly recommended that NIAA and DESE work cooperatively to establish a shared case management model that provides for the automatic referral of Indigenous job seekers from NESM to an Indigenous ISEP provider for joint case management after a pre-determined period (e.g. 12 months) with appropriate levels of funding to perform this function being provided under both programs. We further recommend that the adoption of the TTW funding model for ISEP providers in relation to Indigenous clients. We also propose that *jobactive* refer ATSI job seekers to an ISEP provider rather than Work for the Dole.

- **ISEP Funding** – VTEC does not have its own dedicated client assistance or employment fund for the purposes of supporting Indigenous clients to purchase basic workwear or other goods necessary to obtain or commence employment. As a result, VTEC providers are required to ask for financial support predominantly from non-Indigenous employment providers to support joint clients. This mechanism is considered demeaning by VTEC providers and causes tension with mainstream providers who are perplexed by the fact that they refer ATSI clients to VTEC services but are required to provide this service as well as perform all the associated administration and reconciliation work. It is degrading for the Aboriginal provider to be perceived as always relying on mainstream providers to do our roles. This approach works against building the capacity of the Aboriginal Employment Sector.
- **Indigenous Workforce Specialist** – DESE has signaled its intention to introduce workforce specialist roles. At this stage there has been no indication as to whether they will have a specific Indigenous focus. We recommend maintaining the Indigenous industry recruitment role with ISEP providers. Industry continually comments that they do not understand why they are working with non-Indigenous providers on addressing their ATSI recruitment targets. Our view is that ISEP providers need to become the leader in Indigenous industry engagement so that we can proactively work with industry on the required skill sets, negotiate realistic lead times to achieve Indigenous recruitment outcomes, and work with mainstream employment providers on candidate sourcing. Employers are becoming more aware that Aboriginal employment goes well beyond candidate sourcing, and this is why they are turning to Aboriginal organisations to actively lead these strategies. It is important that government departments acknowledge and recognise this shift by equipping the Aboriginal Employment Sector with the tools necessary to respond effectively.

How could IAS investment be designed to be more flexible and responsive at the regional level, and better meet the needs of the community for Indigenous job seekers and employers?

There needs to be greater investment in the Aboriginal Employment Sector that acknowledges the challenges in addressing Aboriginal employment across our Aboriginal Communities. Too often these programs are short term, boutique services structured under limited payment models that effectively set Aboriginal organisations up to fail.

There needs to be a genuine shift in how the Aboriginal Employment Sector is strengthened beginning with ISEP. We recommend:

- **Strengthening the Aboriginal Employment Sector** – Government departments should work closely with Aboriginal organisations to build their capability to lead these types of initiatives across their communities. This type of investment was implemented in remote Australia with the introduction of RJCP and CDP, with NIAA heavily funding the capacity building of Aboriginal organisations. As a result of this investment, and in less than 10 years, we now have a solid Aboriginal Employment Sector leading employment program across every remote region in Australia. This same approach needs to be implemented in non-remote regions with DESE and NIAA working closely with Aboriginal providers to build their capability.
- **Protecting the Integrity of the Aboriginal Employment Sector** – It is critical that government departments protect the integrity of the Aboriginal Employment Sector and that they do not substitute short term success for integrity. While the Aboriginal business sector has grown with the introduction of the Indigenous Procurement Policy this growth has been coupled with questionable behaviour by mainstream employment providers who have positioned themselves as Indigenous providers as they attempt to buy into or maintain their position in this market. It is imperative that government departments fulfil the commitments made by Australian Governments under the new national agreement on Closing the Gap by strengthening the Aboriginal community controlled sector.
- **Regional Aboriginal Economic Development Taskforce** – By investing in and protecting the integrity of the Aboriginal Employment Sector, government departments will be effectively building a trusted Aboriginal resource in every employment region. Our experience with industry at all levels tells us that they applaud the Indigenous Procurement Policy, but they have all repeatedly expressed that they are limited in their ability to meet its requirements. It is important that, like the Local Job Plan Taskforce, we introduce regional/local Aboriginal Economic Development Taskforces with membership open to ISEP providers, Industry, VET Sector, NIAA, DESE and other relevant bodies. These taskforces would be chaired by Aboriginal organisations while ensuring the right decision makers are at the table. Each of these taskforces would have a set budget to introduce industry initiatives that are to be led by Aboriginal organisations in partnership with key stakeholders. Taking this approach would see Aboriginal employment providers linked directly with local industry thereby strengthening their relationship and enabling industry to effectively engage with Aboriginal communities to build its ATSI workforce.
- **Stronger investment in case management support** – Too often there are limited funds for Aboriginal employment programs to undertake the right level of case management support with our clients. This is evident with the current structure of VTEC when compared to *jobactive*. As VTEC providers we receive no payment for case management meaning our support effectively comes into effect once we have placed a community member into a job. In comparison, *jobactive* providers receive ongoing funding for client engagement, are awarded funding credits for each job seeker which can then be spent on clients, and have access to funding for ATSI mentoring and preparing Aboriginal capability development documentation for employers. We understand that many mainstream providers have not effectively used their funding to support their ATSI clients in particular cultural mentoring. We recommend that a greater pool of funding be made available for Aboriginal employment providers that supports our commitment to Aboriginal employment. As now widely recognised by government and reflected in the new Closing the Gap agreement, Aboriginal providers are better placed to:

- **Target client assistance** more effectively with Aboriginal clients. Many of our clients struggle to ask for support from pre-dominantly non-Indigenous providers. Many of our community members feel judged by this process and have expressed feeling shamed by the whole process
- **Deliver Cultural Mentoring.** We strongly recommend cultural mentoring for all ATSI clients placed into employment. We understand from DESE that this support has been under utilised by *jobactive* providers. We strongly believe that transferring this function to ISEP providers would enable the development of an effective Aboriginal Community approach to mentoring which would improve Aboriginal employment retention rates across our communities and in turn support industry requirements
- **Family Intervention** – The role Aboriginal job seekers hold within their family and the influence of family on their role can significantly impact employment outcomes, including retention in the workforce. Post placement support delivered by Aboriginal organisations goes beyond the individual job seeker reflecting holistic family case management models. This model takes considerably more time and investment but goes to the success of Aboriginal organisations in retaining Aboriginal people in employment.
- **ATSI Talent Pools** – Too often all parties including employment services providers, government and industry have been too focused on the short-term success of Aboriginal employment. As a sector we need to recognise that we are faced with a community that has endured intergenerational unemployment, that is over-represented in all categories that arise from the cycle of poverty (e.g. homelessness, mental health issues and so on), and has experienced discrimination on levels that most people would not understand. The Closing the Gap Report 2021 found that many of the social, health, education and welfare indicators were not trending in the right direction.

Action to address the causes underlying this poor performance requires a long-term commitment. Yet as a sector we expect short term results; we are expected to operate as though there is a pool of ATSI clients who are job ready for any job that becomes available on the market. We need to shift our thinking to developing talent pools and bringing both industry and our local Aboriginal Communities on this journey.

As an Aboriginal Employment Sector, we need a platform (e.g. Regional Aboriginal Economic Development Taskforce) that enables a planned approach to establishing and documenting industry workforce requirements both in terms of qualifications and timing. A planned approach will ensure we have the appropriate lead times to work with Aboriginal Communities to articulate role requirements and expectations, upskill ATSI jobseekers for these roles, and build the right support structures for both the employee and the employer. A platform of this type (i.e. Taskforce) could effectively map out local demand, skills pre-requisites, timing, volume, build cultural support structures and really change the approach to Aboriginal employment. To take this forward Government could also be bold and outline that any capital investment projects within that region where a Corporate Social Responsibility Target was recorded is required to actively participate in the work of the taskforce. As a sector we need to be more structured in how we build firstly the talent pools of ATSI candidates but more importantly in how ATSI candidates for these roles are progressed into employment in a culturally safe way.

How should results of the new ISEP program be measured, monitored and evaluated to ensure investment contributes to closing the gap in employment outcomes?

Traditionally performance frameworks have focused on a standard set of core measures; job placement rates and employment outcome rates. We recommend a broader performance framework that factors in the following measures:

- **Engagement and Quality** - measuring engagement and quality of service with individual clients evidenced by ESS
 - All clients to have an individualised case management plan recorded within four weeks of commencement.
 - All clients to have an individualised mentoring plan recorded within 1 week of job placement completed by mentor, client, and employer.
 - Demonstrated minimum client contact across all phases of engagement – pending, case management, post placement support.
- **Skills Measure**
 - Percentage of clients registered with a service for more than six months that have been referred to an upskilling opportunity. This measure would link to a requirement that any client not placed into employment within six months of commencements must be referred to a skills-based course.
 - Percentage of clients that commence and subsequently complete a skills-based course.
- **Social Measure**
 - A clear measure that demonstrates our support of Aboriginal client to address a social or welfare issue that is affecting their job readiness and involving a return to a barrier management tool focus designed to ensure that ATSI providers are recognised for the additional work we do with our clients.
- **Job Placement Ratio**
 - Number of clients who have a recorded job placement measured against total commenced caseload.
- **Employment/Education Measure**
 - An employment retention measure calculating:
 - % of clients who achieve a full or partial four-week outcome from job/education placement
 - % of clients who achieve a full or partial twelve-week outcome from job/education placement
 - % of clients who achieve a full or partial twenty-six week outcome from job/education placement.

How can we embed shared-decision making in community-based workforce planning?

There are many ways to embed shared decision making in community-based workforce planning and it starts with the procurement of Aboriginal organisations to lead contracts like ISEP.

To achieve shared decision making an Aboriginal voice is needed to lead this discussion so as to provide the integrity required for community-based workforce planning. As previously mentioned, during our time as a VTEC provider we have heard firsthand from industry that they are concerned that they are predominantly dealing with non-Indigenous employment services providers to address their ATSI workforce requirements. Employers have indicated that this type of servicing is not ideal as quite often they feel that there are considerable cultural gaps in the planning process leaving them exposed and resulting in poor uptake and retention rates in their ATSI workforce.

By engaging Aboriginal organisations government is effectively providing Aboriginal Communities with a seat and voice at the table. It is well documented that Aboriginal organisations are 70 to 80 per cent more likely to employ Aboriginal people from within their local Aboriginal Community. This has a powerful positive impact on local Communities. The challenge for government is to effectively and successfully addressing black cladding to ensure that genuine Aboriginal organisations can continue to grow and support their Communities. We recommend greater emphasis be placed on engaging 100% Aboriginal community owned and controlled organisations as their core business is serving the Aboriginal Communities they represent with all business activities reinvested back into these.

To further embed shared decision making in community-based workforce planning we would recommend the following actions:

- **Regional Aboriginal Economic Development Taskforce** – With membership open to ISEP providers, Industry, VET Sector, NIAA, DESE and other relevant bodies. These taskforces would be chaired by Aboriginal organisations while ensuring that the the right decision makers are at the table. It is important that we have an Aboriginal-led initiative that is underpinned by active engagement from the relevant government departments, industry, VTEC Sector and Aboriginal Communities. This taskforce would be a collaboration between Aboriginal Communities, Industry, Skills Sector and Government and could undertake the following:
 - Mapping regional ATSI workforce requirements across all sectors
 - Project managing ATSI workforce requirements for major infrastructure projects
 - Project managing the skills agenda for ATSI workforce requirements
 - Introducing and delivering ATSI Industry expo events for industry
 - Co-ordinating activities that promote collaboration between industry and Aboriginal Communities
 - Enhancing the ATSI candidate pipeline between employment service providers and industry.

- **Stronger emphasis on Aboriginal Collaboration** – There needs to be a genuine focus on collaboration with Aboriginal stakeholders at a community level. ISEP providers could undertake a significant role here in terms of how key Aboriginal organisations like local Aboriginal Land Councils (LALCs), Aboriginal Medical Services (AMS) and other Aboriginal Corporations are engaged as part of a regional or local workforce planning approach. Workforce planning across Aboriginal Communities goes beyond purely industry and candidate management and includes key areas including housing, family and welfare support and coaching. As an Aboriginal service provider, we recognise the importance of a holistic service model where workforce planning and its implementation is underpinned by culturally appropriate wrap around services.

How can the ISEP encourage potential employers of Aboriginal and Torres Strait Islander people to provide safe and culturally appropriate work environments? How can employers better value the skills and perspectives of Indigenous employees?

Our experience in working with industry tells us that there is a genuine commitment to improve the profile of their ATSI workforce but to date their main concerns have been:

- their inability to engage suitable ATSI candidate referrals from mainstream employment providers for opportunities within their own organisations
- they do not have the right structure, processes, and procedures to firstly engage and secondly retain ATSI employees
- they do not have the required cultural mentoring capacity to support their ATSI workforce
- the absence of a cultural sounding board where they can test approaches and ideas to improve their ATSI workforce profile
- they have unsuccessfully been down this path before and are concerned how this will impact their relationship with Aboriginal Communities if it fails.

The challenge for ISEP providers is that a significant proportion of the support that employers need is outside of the scope of general job placement services. In working with industry, they are keen to work with Aboriginal providers in shaping and developing corporate documentation that underpins their goal to engage Aboriginal employees. Our discussions with industry indicate that employers are keen to:

- develop corporate documentation including Reconciliation Action Plans (RAPs), Aboriginal Employment Strategies (AES), Aboriginal Activity Plans (AAPs) and digital resources on sourcing, retaining, and upskilling Aboriginal employees
- review and develop policies and procedures relating to Aboriginal employment practices
- develop and implement Aboriginal mentoring programs
- deliver Aboriginal Cultural Competence Training to their workforce.

These service offerings are critical but at the same time are effectively moving ISEP providers away from case management and job matching. However, in stating this, it is these activities that are critical for the foundation of successful Aboriginal employment across every region. If ISEP providers can be positioned as both a business advisory service and an ATSI candidate pipeline provider, we would see a significant shift, firstly in the engagement of industry, and secondly the successful growth of the regional Aboriginal workforce.

The funding model for the business advisory services would need to set at a base rate to enable providers to attract the calibre of personnel required to deliver these services including:

- **Indigenous Employment Co-ordinators** who would work with industry to develop corporate documentation related to Aboriginal employment. The role would be funded by NIAA while the deliverables be funded by Industry. The program measure would be number of documents or initiatives developed over a 12-month period. This approach provides a co-funded model enabling ISEP providers to grow their business based on the success of their services and impact on local communities.
- **Indigenous Employment Advisory Line.** There is much confusion across industry in relation to Aboriginal employment. A function of this type would address myths concerning Aboriginal employment while providing industry with a central one stop shop for all issues relating to Aboriginal employment. This role could be both a resource point but also a connector and referral source.

How should the ISEP consider a local focus?

We support the current boundaries used for VTEC servicing. We believe that it is critical to define boundaries to ensure that we can develop a stronger regional and local focus. We also encourage Government to maintain choice within each region as this enables each region to grow and to build collaboration.

We believe it is critical that our community has choice of provider and this structure ensures our focus is on meeting the needs of our Communities. As a current VTEC provider we have designed a model where we share our job placements and outcomes with other VTEC providers. Our focus is on the outcome for both our clients and for the employers with whom we engage.

ISEP must demonstrate the Government's commitment to Closing the Gap by ensuring a stronger representation of 100% Aboriginal owned and controlled organisations delivering these vital services to local Aboriginal Communities.

ISEP should also be looking at the financial modelling for the Transition to Work Model and the results that this program has achieved since 2016, from reframing the funding model, performance framework and moving away from mainstream employment providers. If Government is going to change employment indicators for Aboriginal Communities it needs to make a bold statement now in its procurement process.