

10/09/2021

[REDACTED]
Acting Deputy Secretary
Policy and Programs

Dear [REDACTED]

RE: Submission to the National Indigenous Australians Agency (NIAA) into the Indigenous Skills and Employment Program (ISEP)

Generation One, in collaboration with Indigenous Employment Partners (IEP) and Wirrpanda Foundation are pleased to offer this submission in response to the National Indigenous Australians Agency discussion paper released in July 2021. We put forward our insights and recommendations based on collective grassroots experience, industry knowledge and current research to help drive meaningful and sustainable Indigenous employment.

Our submission explores the critical foundations and principles upon which a new Indigenous employment system should be built, learning from past experience and taking a renewed, tighter focus on a cohesive system and person-centred approach.

It is important to note our analysis takes a strengths-based approach. We focus on positive outcomes and acknowledge the responsibility of government, industries, and systems to change, rather than alternative approaches which frame the 'problem' as predominately laying with Indigenous communities, employees, or job seekers.

Our submission comprises three sections:

- An Indigenous Community Controlled Employment Sector
- A cohesive services system for Indigenous employment
- Accountability and transparency

We propose nine key recommendations:

1. Invest in the establishment of an Indigenous community controlled employment sector.
2. Ensure the needs and experiences of Indigenous job seekers are central to the design of the Indigenous Skills and Employment Program.
3. Prioritise Indigenous organisations in service delivery, and remunerate them fairly to recognise the need for pre-employment support where necessary.
4. Remove caps on Indigenous employment outcomes and placements. Organisations delivering job outcomes should be rewarded and incentivised to scale.

5. Ensure the Indigenous Skills and Employment Program is accessible and utilised by a wide range of employers, and funding structures promote long-term employment outcomes and collaboration.
6. Recognise the responsibility of employers to provide 'ready' workplaces for Indigenous staff, including through cultural safety and capability.
7. Regularly collect and publish data relating to Indigenous employment outcomes from federally funded programs.
8. Commit to the publication of annual national Indigenous employment data, in a way that upholds and promotes Indigenous data sovereignty.
9. Conduct a review specifically into Indigenous youth employment, to inform targeted measures and programs to achieve youth employment parity.

Thank you for the opportunity to provide this submission.

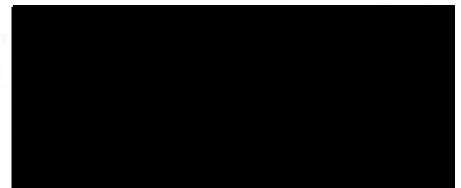
Yours sincerely,



CEO
Generation One



Founder & Director
Indigenous Employment Partners



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1. Introduction and Overview

1.1 The Indigenous employment gap

Generation One, Wirrpananda Foundation and Indigenous Employment Partners (IEP) have a shared vision for equitable Indigenous employment in Australia. With the longest history of economic participation in the world, there is no good reason Indigenous Australians should experience higher unemployment than other Australians. And yet, the most recent national estimates suggest that less than 50 per cent of working age Indigenous Australians were in work in 2018¹.

Indigenous employment parity has been an explicit objective of many governments, workplaces, and organisations over more than a decade, including through Closing the Gap and other efforts. And yet disparity persists, with employment parity estimated at 200 years away according to Australia's current pace between 2008-2018¹.

The Creating Parity report (2014) offered 27 recommendations to end the disparity between Indigenous Australians and other Australians, spanning recommendations relating to education, employment and training; including the push to align payments to employment services based on 26-week outcomes, and dismantling the cash barbecue of 'training for training's sake.' While demand-driven employment services have now become widely accepted, the current review of federal Government Indigenous employment programs provides the opportunity to make identified improvements, while retaining what has worked in the past, to better meet the needs of Indigenous Australians.

This submission explores and suggests the critical foundations and principles upon which a new Indigenous employment system should be built, including a renewed, tighter focus on creating a cohesive system and taking person-centred approach.

We offer nine recommendations, broadly categorised into the following categories:

- an Indigenous community controlled employment sector;
- a cohesive services system for Indigenous employment; and
- greater accountability and transparency.

1.2 Authors of this submission

This submission is the joint work of three organisations and reflects that collaboration and collective experience is required to solve the complex challenges facing Indigenous Australia. All parties, through service delivery and industry experience, recognise that place-based employment approaches are critical to deliver sustainable and positive outcomes with and for Indigenous communities. Our first-hand experiences have proven that geographic and demographic needs require tailored service delivery in order to address barriers and opportunities relevant to the context.

Generation One is an initiative of the Minderoo Foundation established by Andrew and Nicola Forrest and has a mission to create employment parity with and for Indigenous Australians within one generation. Over



**GENERATION
ONE**



the last 10 years, Generation One has worked with partners to help secure employment outcomes for approximately 20,000 Indigenous Australians through 'demand-led' training, employer advocacy, and job seeker support.

Indigenous Employment Partners is an Indigenous founded and operated charity that strives to promote reconciliation, mutual respect, and tolerance in Australia. Its social mission is to contribute to end the cycle of poverty and disadvantage experienced by Indigenous Australia by building capacity and fostering self-sufficiency through employment.

Wirrpanda Foundation aims to lead the provision of education, employment, and business opportunities with Indigenous Australians by working together to empower and build capacity amongst individuals, their families and their communities. Wirrpanda Foundation influences and inspires the empowerment of Indigenous Australians through its diverse workforce, led by Indigenous Australian role models.

Together, we offer our collective insights and recommendations.

2. Building an Indigenous Community Controlled Employment Sector

To improve outcomes for Indigenous Australians, the voices of Indigenous Australians must be at the centre of the design and delivery of any strategy or program. Communities must be active participants in the decisions that affect them. Their voices should not only contribute to, but rather lead the services and organisations working to achieve employment results with and for their communities. We recognise NIAA's Indigenous voices co-design and roundtables for Indigenous employment programs, and collectively pledge to actively participate in these consultative processes.

The concept of 'nothing about us without us' has been widely acknowledged and accepted in Indigenous affairs, and most recently demonstrated through the new National Agreement on Closing the Gap, developed in genuine partnership with Indigenous Australians. The capacity, capability and effective leadership of Indigenous communities and community controlled organisations have also been widely demonstrated and recognised, including recently through the Aboriginal Community Controlled Health Sector's response to the COVID-19 pandemic and its results in protecting Indigenous communities.

It is against this evidence of the success of Indigenous community controlled sectors, that the current lack of Indigenous control in the employment sector is even more striking. As highlighted in the NIAA ISEP Discussion Paper, only one per cent of Indigenous job seekers accessed services delivered by federally funded, specialised Indigenous employment programs. This is despite Indigenous organisations often delivering high employment and retention results. As of 31 July 2021, VTEC providers have placed a total of 13,995 Indigenous job seekers into employment, of which 8,540 participants reached 26 weeks.

The remainder, or 99 per cent of Indigenous jobseekers are serviced by generic employment programs. The majority (60 per cent) are serviced through Jobactive, delivered overwhelmingly by non-Indigenous organisations. These services are often delivered by non-Indigenous staff and are less effective in serving

Indigenous job seekers. There is a pressing need for mainstream services to be more culturally appropriate and responsive.

While there are some Indigenous providers of employment services, many offer employment services as an 'add-on' to their business-as-usual activities, pointing to an overall lack of specialisation nationwide in the nuanced area of Indigenous employment.

It is unsurprising that very few Indigenous employment service organisations exist nationwide. The comparative lack of investment into the overall Indigenous employment sector has been minimal, even though Indigenous employment services deliver better outcomes than non-Indigenous employment services². In addition, Indigenous owned organisations themselves are more likely to employ Indigenous Australians, leading to greater employment outcomes³. The Government have recently committed for 2021-22, \$42.8 million per annum from the Indigenous Advancement Strategy for a new Indigenous skills and employment program – building to \$60 million in future years. Of the \$60 million budgeted for Indigenous employment services we highly recommend the majority of this investment be made into Indigenous organisations.

No national network, national advisory group, or peak body exists for Indigenous employment or Indigenous employment services. Not only does this hamper efforts for national consistency and collaboration, but it also diminishes the visibility of the role of employment in improving overall outcomes for Indigenous Australians. This has been demonstrated through the composition of the Coalition of Peaks; of 50 participating organisations, none specialise in Indigenous employment.

Recommendation:

1. Invest in the establishment of an Indigenous community controlled employment sector.

2.1 The role of an Indigenous Community Controlled Employment Sector

In the spirit of collaboration, and consistent with priority reform areas 1 and 2 of the National Agreement on Closing the Gap, we call on the Government to invest in the creation of an Indigenous Controlled Employment Sector.

An Indigenous community controlled employment sector should comprise individual Indigenous employment organisations and promote sector leadership via a peak body. The sector's collective leadership must reflect the needs of Indigenous job seekers, and have a line-of-sight to employers to promote culturally safe workplaces. Cultural safety "demands actions that recognise, respect and nurture the unique cultural identity of a person and safely meets their needs, expectations and rights"⁴.

The purpose and role of this sector should be further explored, and could include the following:

- provide a collective voice for Indigenous employment sector stakeholders
- liaise with corporates, organisations, and various levels of government on employment policy and planning;

- promote and expand the provision of Indigenous employment services through Indigenous employment service providers;
- foster partnerships between Indigenous employment services and employers to deliver sustainable outcomes;
- develop locally based networks, Indigenous employment hubs and place-based approaches that address the unique needs of a region;
- develop cultural safety and capability standards for employment service delivery to Indigenous Australians; and
- provide sector leadership and advocacy in relation to employment service delivery, programs, data, research, and funding.

There is also a need for locally based networks and place-based employment hubs, particularly in regional and remote areas. The employment solutions for various geographic regions must be tailored for a region's demographic profile, industry needs and projected growth areas. Locally based networks will ensure that Indigenous employment services are connected with employers and can identify their workforce needs. Similarly, place-based hubs will be essential in connecting Indigenous job seekers with service providers, mentors, and potential employers in a cohesive and collaborative way.

3. A Cohesive Services System for Indigenous Employment

The Indigenous employment system comprises numerous stakeholders, each with differing priorities and needs. Programs of the past have focused on different priorities within this system, such as building the capability of employers, providing opportunities and progression for trainees, or guaranteed jobs and demand-led training.

Critical components of these programs, many of which were outlined in *Creating Parity* and incorporated into the VTEC model, were effective and should be retained in any new program. Some of these principles include:

- avoiding training for training's sake;
- aligning training to meet employer demand;
- sourcing real, guaranteed jobs for jobseekers;
- paying employment service providers for employment and retention results, not process;
- supporting both job seekers and employers for sustainable employment results; and
- servicing all willing Indigenous job seekers, regardless of whether they are registered with a local Jobactive or other employment services.

Of course, there is room for improvement within Indigenous employment programs, and attention should be paid to their overall cohesiveness and interaction within the broader employment services system.

Below we outline recommendations relating to the four core components of the Indigenous employment services system, namely:

- job seekers;
- Indigenous employment service organisations;
- employers; and
- Governments.

3.1 Indigenous job seekers

The experience of and outcomes achieved by Indigenous job seekers must be central to any new program design and delivery. Below are foundations and principles that must be taken into consideration, building on the principles of accessibility, choice and empowerment:

- **The long-term outcomes for the individual**, including their employment and retention beyond 26 weeks (i.e. at 12 months and beyond). The employment length and job security are critical factors in an individual's wellbeing, and just as important as an individual's employment status on a given day.
- **Correct and appropriate 'streaming' of Indigenous job seekers**. This is often the first and most abrupt issue that Indigenous job seekers face when entering the welfare system, driven by a lack of information, shame on behalf of the job seeker in sharing personal information, or a lack of support when being evaluated by Services Australia or an appointed agent. Being allocated to an incorrect service stream can severely impact the support available to a job seeker, to help overcome their very real barriers to enter the workforce.
- **Realistic expectations and recognition of the time taken to support job seekers achieve employment readiness**, such as developing digital literacy and other foundational skills.
- **Dedicated funding to support job seekers from pre-employment through to job placement**. Data from Wirrpannda shows that pre-employment support requires an average of 14 weeks. During this phase rapport building is critical to achieve employment with longer term outcomes.
- **Recognising that a job seeker may be serviced by more than one organisation, and should have choice amongst culturally appropriate services**. Similarly, job seekers may have multiple career aspirations, which may be best served by a combination of services.
- **Empowering job seekers with information about the services offered to them and their employers**. Job seekers are often unaware of the Government incentives for employers who hire them, and the payments made to service providers to invest in them. Transparency in the employment services sector is critical to empower Indigenous job seekers.
- **Removing disincentives to work**. Disincentives include, for example, job seekers losing rental or housing support upon entering the workforce. This disincentive is particularly critical in the current housing market of inflated rental expenses, and is not a price all job seekers are willing to pay for a job.

In addition, if an individual leaves their employment, there can be significant delays to receiving the original housing support again, increasing the risk of homelessness.

- **Creating incentives to stay in employment.** Often, payments made upon a 26-week outcome, as well as wage subsidies are paid to the employment service provider, and/or the employer. Aligning stakeholder interests by paying a portion to the jobseeker directly may warrant consideration and recognise the importance of the employee's commitment to their work, creating the flow-on effects of greater work experience and skills, time in the market as an employee, and positive role-modelling for family and community. In addition, payments made to employers should be considered for investment in the job seeker, and could target areas such as housing support, professional development or cultural immersion.

Recommendation:

2. Ensure the needs and experiences of Indigenous job seekers are central to the design of the Indigenous Skills and Employment Program.

3.2 Indigenous employment service providers

A key stakeholder group that has been underrepresented in the past is Indigenous employment service providers. These providers are often small to medium sized Indigenous enterprises, and often have the expertise and experience to work not only with both job seekers to become job-ready, but also with employers to promote culturally safe workplaces.

As outlined in Section 2, to date only one per cent of Indigenous job seekers receive support through Indigenous-specific employment programs. This is a gross underutilisation and misallocation of the current investment in Indigenous employment programs, and does not produce optimal Indigenous employment outcomes. Disability Employment Services were established to cater for job seekers with disability. Similarly, targeted Indigenous-specific providers should be linked to Services Australia to ensure the pathways into Indigenous programs and services is seamless, in order to ensure these tailored systems are used to their full potential. This will also allow Indigenous employment service providers to have their own caseload, rather than relying purely on community or voluntary referrals.

A new service system should recognise the value of Indigenous service providers, incentivise their scale, and acknowledge and compensate providers for the necessary investment in pre-employment support.

3.2.1 The value of Indigenous service providers

Indigenous service providers can offer unique value, such as culturally informed services, pre-employment support, mentoring and building capacity and capability of employers. These services are often delivered by Indigenous staff and mentors, and from organisations that are leading Indigenous employment and retention best practice in their own organisations.

Indigenous service providers also tend to have smaller caseloads than those delivering mainstream employment services. This allows for greater personalised support and investment in pre- and post-employment support. Despite not being specifically funded to do so, the Indigenous service providers involved in this submission prioritise post-placement support, including mentoring recently placed employees for at least 100 days.

The importance of post-placement support is critical, in reducing the instances of short-term job placements and low retention, which can have negative and ongoing impacts for both employees and employers, and reinforce negative stereotypes. In contrast, mainstream services, such as Jobactive, are known for high caseloads. High caseloads are not always conducive to quality employment programs. High caseloads are not always conducive to quality pre- or post-employment programs, especially those not specifically funded. High pressures on skilled Jobactive employees to reach placement targets commonly causes staff turnover, therefore negatively impacting the continuity of service and engagement with job seekers.

3.2.2 Incentivise outcomes, innovation, and scale

Employment service providers delivering positive employment outcomes should be rewarded and incentivised to scale. In this context, the role of Government is to provide the settings for cooperation, to ensure funding is fair and equitable, and incentivise the desired program outcomes.

In contrast, in an attempt to ensure competition in the market, current funding contracts set a maximum 'cap' on Indigenous job outcomes, meaning that employment service providers must either stop offering employment services when they have reached their maximum job outcomes per their contract, or continue to deliver outcomes for no pay. This inadvertently penalises employers and employment service providers who are successful and impedes their capacity to scale and deliver outcomes – at extreme odds with national efforts to close the employment gap on an ambitious timeline.

In fact, our experience is that many funded Indigenous organisations deliver Indigenous employment services and outcomes at a financial loss, relying on profits made through other service delivery to continue serving their community. Under-funded employment services pose a risk not only to the longevity of Indigenous service providers, but also to the ongoing support offered to Indigenous job seekers.

3.2.3 Invest in pre-employment

Pre-employment and worker readiness are key to promoting sustainable and long-term employment outcomes. Job seekers may require support and training and various levels, depending on their job history, confidence, and skills. This variability of needs should be recognised and funded accordingly.

Some Indigenous employment service providers already deliver programs that cater to the multifaceted nature of successful employment, despite no additional funding often being allocated. For example, programs supporting job seekers exiting the justice system often deliver greater pre-employment support, training, and certifications. This often requires service providers to seek additional funding for employment programs targeting such job seekers, from philanthropic or other sources.

Service providers should and must provide employment basics, some of which are currently not funded, such as drivers' licences. This includes digital and financial literacy and, confidence and holistic support in navigating economic participation.

Case study: Wirrpanda Foundation

Reflective of the required investment in pre-employment support, Wirrpanda have responded to community need through the development and implementation of self-funded, *Fit 4 Work* and *Stronger Communities* pre-employment programs. Current Wirrpanda VTEC data suggests that Indigenous job seekers spend on average 14 weeks in pre-employment support and 5.5 weeks to become 'job-ready.'

Wirrpanda's programs seek to address fundamental barriers to employment including, but not limited to, sufficient identification, Driver's License support, cultural identity, accessing Jobactive Employment Funds, Tax File Numbers, myGov support, consolidation of outstanding infringements and paying off outstanding court fines through the Work and Development Permit Scheme. These pre-employment programs provide a pipeline of new Indigenous talent that employers in isolation struggle to establish, and provide a longer time period within which to establish rapport between job seekers and their mentors, and for job seekers to build and embed new behaviours and capability.

Whilst this support is necessary, it is currently self-funded by employment services, such as Wirrpanda. Since October 2020, Wirrpanda's pre-employment programs were expanded and their 26-week retention rate increased from 39 per cent to 94 per cent for stream B and C Indigenous job seekers. This significant increase in outcomes for job seekers is privately funded and not resourced through current employment contracts. The need for pre-employment support to achieve long-term outcomes must be recognised, and therefore adequately funded for both Indigenous service providers and as well as employers.

Recommendations:

3. Prioritise Indigenous organisations in service delivery, and remunerate them fairly to recognise the need for pre-employment support where necessary.
4. Remove caps on Indigenous employment outcomes and placements. Organisations delivering job outcomes should be rewarded and incentivised to scale.

3.3 Greater awareness, accessibility, and support for employers

Past funding, specifically the Employment Parity Initiative (EPI), focussed on increasing the proportion of Indigenous employees in large organisations. While the logic behind supporting large employers to achieve Indigenous employment parity is clear, this program also produced several challenges, including:

- only a small number of employers were supported through EPI, suggesting a lack of accessibility by more employers;

- a lack of transparency over funding provided, program deliverables and employment outcomes achieved;
- the creation of an ongoing dependency on government funding to subsidise the continued employment of Indigenous Australians;
- the discouraging of collaboration between employers and Indigenous employment service providers (i.e., VTEC, TAEG), due to singular provider funding restrictions; and
- community concern over funding paid to large and often profitable organisations to subsidise Indigenous employment. This not only downplays the value of Indigenous employees to an organisation, but Indigenous employment is increasingly being seen as a competitive advantage, and necessary to earn social licence to operate.

The following section identifies improvements and principles through which employers can be better supported to deliver positive Indigenous employment outcomes.

3.3.1 Greater awareness and collaboration

Many employers are unaware, or do not engage with federally funded employment programs. Large employers especially often rely on their own internal recruitment teams or labour hire businesses to source staff, and are unaware of the support available to them. Greater awareness and access to Government employment programs are needed. Industry and the broader public must be better informed on the Indigenous employment programs' goals, eligibility, process to access these supports and the outcomes.

Furthermore, employers should be incentivised to work with Indigenous employment services, and other components of the services system. Currently, funding arrangements necessitate that only one organisation (the employer, or the employment service provider) can 'claim' payment upon placing an Indigenous job seeker into work. This creates unnecessary competition, prevents collaboration, and leads to a focus on payment, not the person. This can also limit the job seekers' access to a variety of services and supports.

The scope of what is payable should be increased, for example pre-employment support, job placement and post placement support. All providers who meaningfully contribute to a job seeker's development and job placement should be recognised, and remunerated appropriately.

Indigenous businesses should also be considered key players in Indigenous employment. Indigenous-led enterprises inherently tend to develop workplaces that are culturally safe, develop meaningful community engagement and promote work that is Indigenous led and informed. Moreover, other barriers such as cultural load, recognition and remuneration of cultural load and career development are often addressed or extraneous in Indigenous businesses. As a result of this and other factors, Indigenous businesses tend to maintain greater employment, retention, and progression of Indigenous employees. Research has shown that Indigenous businesses have substantially better outcomes of Indigenous employment compared to non-Indigenous businesses⁹.

3.3.2 Aligned funding and longer-term approaches

Historically, funding incentives focus on employment milestones, such as commencing a new job, and for remaining in that job for four weeks, 13 weeks, and 26 weeks. Longer-term milestones, such as 52 weeks and over, should also be considered, and support provided to achieve this.

Mentoring for Indigenous employees is crucial to support during transition into a new role and achieving more sustainable job outcomes⁵. Research has found that the role of mentors is associated with great recruitment, retention, and career progression⁶. Dedicated funding for mentors post job-placement will assist in improving 52 week outcomes.

Separately, any funding provided to employers should differentiate between Indigenous job seekers who are job-ready and skilled, and job-seekers who are long-term unemployment. For example, some funding arrangements tend to incentivise the employment of Indigenous job seekers who are job-ready and skilled, as opposed to job seekers with multiple barriers to employment. Employment programs and their funding should target increasing the total number of Indigenous Australians in work, as opposed to merely moving job-ready Indigenous workers between employers.

3.3.3 Culturally safe workplaces

The growth of culturally safe employers and workplaces is critical to successful Indigenous employment outcomes, and workplaces who promote cultural safety should be incentivised. The Gari Yala Report⁷ by Jumbunna Institute of Indigenous Education and Research and Diversity Council Australia explored the experiences of Indigenous workers across Australia. This report highlighted a leading barrier for Indigenous employment being the culture, systems, and processes within an organisation. This included a lack of organisational commitment to reconciliation, poor cultural safety, a lack of anti-racism mechanisms and limited focus on Indigenous career development.

A cultural shift is required among many Australian employers, in recognition of their role in supporting Indigenous employment. There must be a focus on workplace readiness and cultural safety, as opposed to efforts solely focused on worker readiness. Some VTECs currently deliver additional services that improve retention with a focus on cultural safety, however the resources offered for this are inadequate and fall short. Contracts should have provisions for fee splits between stakeholders so that every contributor is adequately remunerated. Opportunities for improvements on past programs include the allocation of funding for both Indigenous employment service providers and employers, and greater systematic partnerships between both stakeholders.

Recommendations:

- 5. Ensure the Indigenous Skills and Employment Program is accessible and utilised by a wide range of employers, and funding structures promote long-term employment outcomes and collaboration.**
- 6. Recognise the responsibility of employers to provide 'ready' workplaces for Indigenous staff, including through cultural safety and capability.**

4. Accountability and Transparency

Governments have a key role in not only designing policies and programs that deliver outcomes, but in also demonstrating accountability and transparency. Greater accountability and transparency must be established not only between State and Federal Governments, but also amongst recipients of any Indigenous employment funding. We strongly recommend regular and consistent data collection and publication on Indigenous employment by all relevant stakeholders. This data must be Indigenous-led and owned (e.g. through an Indigenous community controlled organisation or sector), to promote culturally safe data collection and to promote Indigenous data sovereignty.

Indigenous self-determination depends on data self-determination and governance. The United Nations Declaration on the Rights of Indigenous Peoples states that Indigenous peoples have an inherent and indisputable right regarding the collection, ownership, and application of data about Indigenous peoples, territories, lifeways, and natural resources. Decision making relies on regular and reliable data, and decision making by and for Indigenous people factors in culture, values, diversity, and priorities – and must include Indigenous data governed by Indigenous peoples. Over time, building numerical information and understanding data gaps will provide a more robust view of the health of Indigenous employment and will support the progression of closing the gap of Indigenous employment. The National Agreement on Closing the Gap includes an Information Repository that compiles annual data on up to date targets and indicators and providing access to data supports priority reform area four.

To date, current data collection on national Indigenous employment only occurs every five years through the Census. Better data records are needed at both a national level, and an employer level. National data reported should also describe trends and features across the wider Australian workforce, such as job loss figures (by state, industry, age, Indigenous status for example), industry growth and opportunities. Regular and reliable data at a national and employer level will be key to ensuring that new approaches to the ISEP are effective, it will reduce costly and lengthy evaluations at the end of new program trials, and the ISEP development and evolution to be responsive to market and industry conditions.

Employer-level data must also be consistently collected to capture progress, demonstrate accountability, and evidence the efficient use of funds, especially if they are federally funded. Employer level data should include representation, that is both the total number Indigenous employees and percentage of the workforce. More than this, leadership representation should also be captured at Board, Executive leadership, and senior management levels. Other key data that should be considered include new Indigenous hires and retention in comparison to the total workforce. Demographic profile data will also be key to understanding the workforce gaps and strengths, and may include age, gender, levels of seniority, types of roles, types of employment and location (metropolitan, regional, remote).

Recommendations:

- 7. Regularly collect and publish data relating to Indigenous employment outcomes from federally funded programs.**
- 8. Commit to the publication of annual national Indigenous employment data, in a way that upholds and promotes Indigenous data sovereignty.**

5. Further Considerations

Indigenous youth are the next generation of job seekers, and the future of the Indigenous workforce. A review of Indigenous youth employment should be undertaken by Government in partnership with key stakeholders, including Indigenous businesses and peak bodies, employment services, education and training industries, health sector and Indigenous young people.

The Indigenous population has a relatively young age structure with census data outlining that Indigenous young people, 15 to 24 years, made up 20 per cent of the Indigenous population, compared to 13 per cent in the non-Indigenous population⁹. Unemployed Indigenous youth are more likely not to be in training or employment compared to their non-Indigenous counterparts. A concerted investment into Indigenous youth employment must be undertaken to ensure that the unemployment rate for Indigenous Australians does not remain at four times the rate for non-Indigenous Australians (16 per cent compared to 5 per cent)⁹.

Leadership programs, strong career goals, youth employment pathways, progressions into industry and greater education outcomes are all required to meet the labour market demand. Literacy, numeracy and digital problem-solving services are associated with stronger labour market outcomes¹⁰. The Closing the Gap Report states that for Indigenous Australians with higher levels of education, there was virtually no gap in employment rates compared with non-Indigenous Australians. Higher education is key to Indigenous youth employment and early-intervention will ensure more cost-effective outcomes. Programs and funding are required at major transition phases for youths including primary school to high school, high school to the workplace and high school to training or further education. These various programs will provide a targeted approach and ongoing pathways for Indigenous youth.

Recommendation:

9. Conduct a review specifically into Indigenous youth employment, to inform targeted measures and programs to achieve youth employment parity.

6. Conclusion

This submission has proposed seven key recommendations and a range of considerations for the ISEP development and the growth of Indigenous skills and employment in Australia. In order for Australia to close the gap in Indigenous employment, new approaches need to be implemented that are Indigenous-led, innovative, tested and tried, strength-based and endorses self-determination. Greater support, partnerships and innovation is also required between all key stakeholders, with Indigenous job seekers at the centre of policies and approaches adopted.

Collating reliable and regular data will ensure that the initiatives undertaken will have strong governance and their outcomes, both short and long-term, will be able to be measured and evaluated. Our joint recommendations are grounded in our ongoing industry consultations with employers, Indigenous business, Indigenous employment specialists and practitioners, and we welcome this submission to contribute to the future of Indigenous-specific employment programs.

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Appendix I: Organisational Biographies

Generation One

Generation One's mission is to create employment parity with and for Indigenous Australians, within one generation. Generation One works with partners to secure meaningful and sustainable outcomes for Indigenous Australians through our demand-led training approach, investment and mentorship for Indigenous entrepreneurs, and programs which shift mindsets to foster financial independence.

Generation One has been a leading national voice on Indigenous employment parity for over a decade, with origins in the Australian Employment Covenant. Since the Vocational Training and Employment Centre (VTEC) program commenced on 2 January 2014, VTEC Providers have placed 13,955 job seekers into employment, of which 8,540 participants reached 26 weeks employment (as of 31 July 2021). Generation One and Fortescue Mentals Group developed the innovative model to offer a holistic approach and provide guaranteed jobs with Indigenous employees. The VTEC model has operated in approximately 30 locations around Australia, including a Generation One partnership with a prison-to-work program in Western Australia.

Today Generation One retains its focus on Indigenous employment and entrepreneurship. Key 2021 outcomes included the release of *'The impact of COVID-19 on the Indigenous Workforce'* Report, which led to the #closethedatagap campaign. The findings of this report unveiled an alarming data gap in the Indigenous workforce. The economic participation of Indigenous Australians is not regularly or consistently measured; and without data, policy makers, employers and Government cannot make informed decisions to close the employment gap. As a result, Generation One is undertaking a national research project: the Indigenous Employment Index. This Index will engage with some of Australia's large employers to: i) establish a baseline for the state of Indigenous employment parity amongst Australia's large employers; ii) identify what practices work to achieve sustainable Indigenous employment; iii) deliver a national report and individual, confidential organisational profiles. To support these participating large employers, Generation One is also launching a national Indigenous Employment Network to bring together a coalition of employers who are committed to achieving employment parity.

Generation One is also working to increase Indigenous employment through business and entrepreneurship. During 2020 and 2021, masterclasses for Indigenous entrepreneurs and potential angel investors have been delivered in Perth, Brisbane, Sydney, and Melbourne. A total of 70 Indigenous entrepreneurs and 45 potential Indigenous angel investors have participated.

Indigenous Employment Partners

Indigenous Employment Partners is a service delivery provider that addresses the issues associated with Indigenous poverty and social exclusion by offering employers a fully supported end-to-end recruitment service packaged and designed to support both the employer and their Indigenous employee. Individual Indigenous job seeker employer support is provided via employment consultants and a range of training programs.

Indigenous Employment Partners' social purpose is to contribute to ending the cycle of poverty and disadvantage experienced by Indigenous Australia by building capacity and fostering self-sufficiency through employment. They provide culturally appropriate employment, recruitment, and training support services to employers to optimise engagement and retention of Indigenous peoples and facilitate employment opportunities for Indigenous peoples that promote self-sufficiency and self-management resulting in a long-term better standard of living.

Indigenous Employment Partners works with corporates to build capacity through: i) Reconciliation Action Plan (RAP) development and support; ii) Indigenous recruitment and employment strategy development and implementation; iii) Indigenous procurement strategy development and implementation; and iv) the development and implementation of community engagement models.

Indigenous Employment Partners' unique training products have been developed and proven over 20 years and include:

- *Get Ready to Work* Indigenous pre-employment program to support new employees entering the workforce,
- *Recruiting Indigenous Australians* workshop: for HR and People and Culture staff to strengthen recruitment,
- Cultural safety training and assessment, and
- *Working with Indigenous Australians* workshop: to prepare or assist employees to work effectively with Aboriginal staff.

The IEP team work directly with Indigenous families and individuals who are financially disadvantaged, live in urban, rural, regional, and remote communities, have disabilities, post-release offenders and their families or those who are unemployed.

Wirrpannda Foundation

Wirrpannda Foundation (WF) has operated specialist employment services for Indigenous job seekers since 2007 and have adapted their offering to specialist cohorts in ex-offenders and youth who present with complex barriers to engagement and employment. The priorities of WF are to deliver Indigenous designed and developed programs that:

- increase the retention of Indigenous students in school,
- assist Indigenous job seekers into sustainable meaningful employment or further vocational training and/or study,
- work to sustain employment opportunities through cross-cultural training and individualised support for employers,
- provide support and mentoring to Indigenous young people in the youth justice system,
- cultivate competitive and resilient Indigenous businesses,
- provide employment services to assist in the reintegration of individuals after prison, and
- improve the overall health of Indigenous people.

Currently WF deliver a range of pre-employment programs and holistic mentoring support including:

- *VTEC*: Indigenous job seekers aged 18 plus engage on a self-referral basis with mentors based in Perth Metropolitan, South West, and Goldfields regions,
- *Transition to Work*: Up to 50 Indigenous youth residing in the South-East Metro corridor aged 15-24 years referred from Services Australia or self-referral,
- *ParentsNext*: Up to 150 Indigenous parents in the Perth North region looking to re-enter the workforce are supported to access training and employment opportunities suited to their individual circumstance,
- *ReSet*: Employment and training mentoring support offered to up to 350 ex-offenders in state-run prisons annually the service is delivered as part of a Consortium approach in-custody and in-community providing ex-offenders with a constant mentoring support,
- *Acacia Real Support Network*: Employment and training service delivered within the Real Support Network Delivered in partnership with Serco,
- *Bunuru Youth Program*: Intensive mentoring service provided to up to 40 Indigenous young people annually who are at high risk of reoffending the program provides a practical approach to vocational training and aims to provide employment pathways for the young people, and
- *CDP*: Remote employment program run in the Upper Goldfields (Yaaliku) region to up to 350 job seekers annually the program provides mentoring support for those entering the workforce and opportunities through the delivery of activities for job seekers to contribute to their communities. This current caseload is 85 per cent Indigenous people.

Currently, WF has 1,000 Indigenous girls mentored through *Deadly Sista Girlz*, 323 job seekers placed into employment in 2020, 211 Indigenous businesses services through the *Wirra Hub* coaches, and 14 programs across education and employment.