

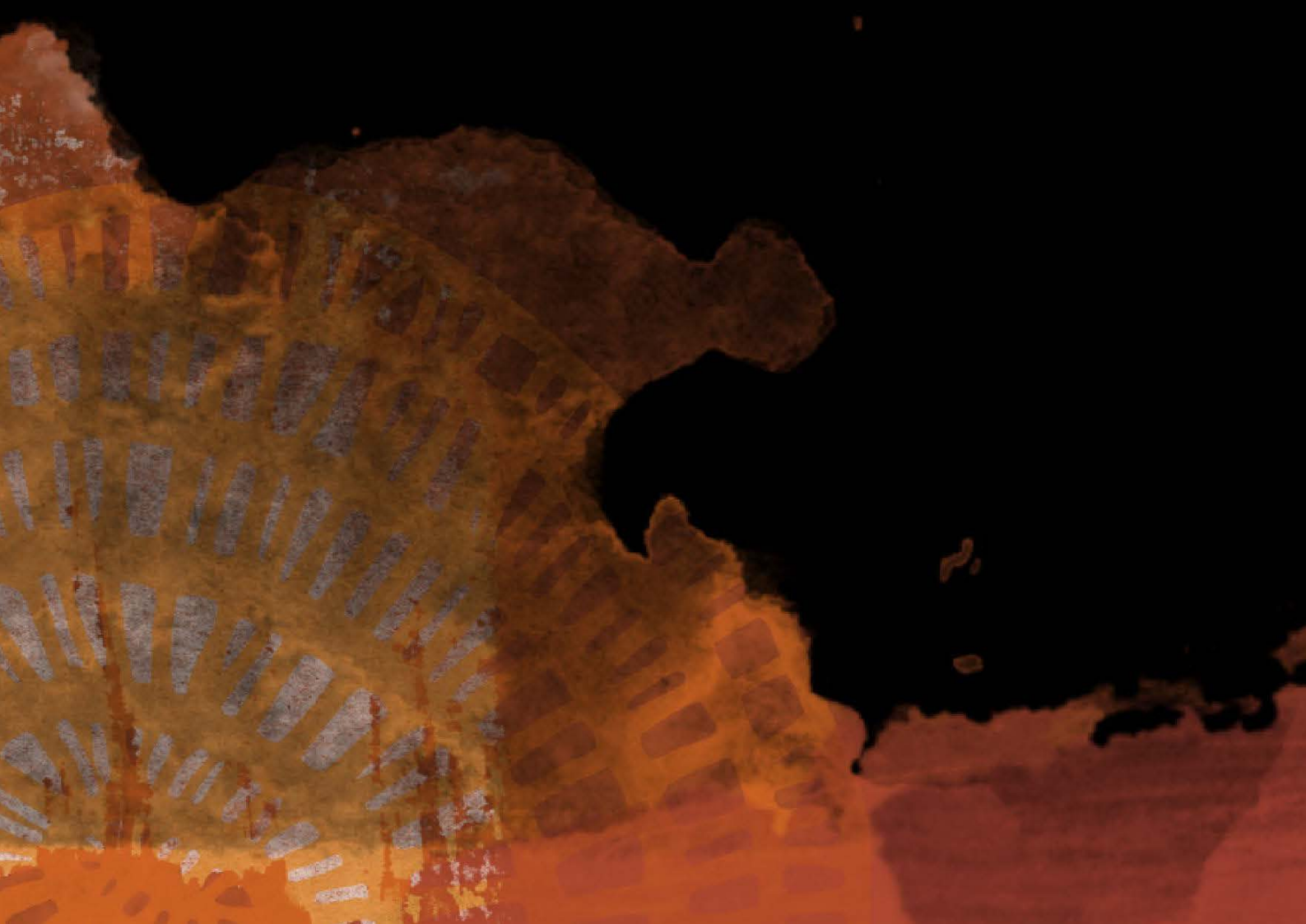


Indigenous Skills, Engagement and Employment Program (ISEP)

Submission to National Indigenous Australia Agency

Reconciliation Australia

September 2021





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National Indigenous Australians Agency
Friday, 17 September 2021

RE: Reconciliation Australia's submission to Indigenous Skills, Engagement and Employment Program (ISEP)

Dear the Hon Ken Wyatt AM MP,

Reconciliation Australia welcomes the opportunity to make a submission to the Agency on the new Indigenous Skills, Engagement and Employment Program (ISEP).

We acknowledge the complexity of the work that the Agency has been appointed to undertake and understand the importance of developing a new Indigenous Skills, Engagement and Employment Program (ISEP) to replace the Vocational Training and Employment Centres (VTEC), Tailored Assistance Employment Grants (TAEG) and Employment Parity Initiative (EPI) from 1 July 2022.

This submission does not highlight a fixed view on the design of a new Indigenous Skills, Engagement and Employment Program, rather it highlights key considerations for the Agency to take into account the needs of Aboriginal and Torres Strait Islander Communities and how the program may support Indigenous Australians and employers.

Reconciliation Australia is able to provide further information, either verbally or in writing, regarding our submission should you wish to clarify any of the issues raised.

Yours sincerely,



Chief Executive Officer
Reconciliation Australia

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1. About Reconciliation Australia

Reconciliation Australia is the national organisation promoting reconciliation between the broader Australian community and Aboriginal and Torres Strait Islander peoples. Our vision is to build an Australia that is reconciled, just, and equitable for all. To do so, we are dedicated to building relationships, respect and trust between Aboriginal and Torres Strait Islander peoples and other Australians. We believe a reconciled Australia is one where:

- Positive two-way relationships built on trust and respect exist between Aboriginal and Torres Strait Islander people and non-Indigenous Australians throughout society.
- Aboriginal and Torres Strait Islander people participate equally and equitably in all areas of life, and the distinctive individual and collective rights and cultures of Aboriginal and Torres Strait Islander peoples are universally recognised and respected. That is, we have closed the gaps in life outcomes, and Aboriginal and Torres Strait Islander peoples are self-determining.
- Our political, business and community institutions actively support all dimensions of reconciliation.
- Aboriginal and Torres Strait Islander histories, cultures and rights are valued and recognised as part of a shared national identity and, as a result, there is national unity.
- There is widespread acceptance of our nation's history, and agreement that the wrongs of the past will never be repeated.

2. Our Work

1. Reconciliation Australia was established in January 2001 following a national engagement process on reconciliation led by the Council for Aboriginal Reconciliation (CAR).
2. In 2021, Reconciliation Australia is celebrating our 20th anniversary. The 2021 State of Reconciliation Report entitled 'Moving from Safe to Brave' frames the next chapter of the work of Reconciliation Australia and the work ahead for the nation. It provides a roadmap for our nation's Parliament, corporate organisations, civil society, and the broader community for taking braver action on the path to reconciliation.
3. The 2021 Report notes that Australia can only achieve reconciliation if progress is made in all five areas. The dimensions – Historical Acceptance, Race Relations, Equality and Equity, Institutional Integrity, and Unity – continue to form the basis upon which we understand the reconciliation effort, track progress and identify areas of greater need. These dimensions are interdependent, meaning sustained progress towards reconciliation can only occur when advancements are made in every dimension¹.
4. We engage across a range of issues – the Close the Gap Campaign Steering Committee for Indigenous Health Equality, the Change the Record Campaign Steering Committee focused on incarceration and family violence, the National Anti-Racism Partnership and Strategy, and a supporting organisation of the Family Matters Campaign.

¹Ibid. pp.2

5. We release the Australian Reconciliation Barometer every two years to measure the attitudes and perceptions of the Australian public towards reconciliation. The State of Reconciliation Report is released every four years.
6. We lead National Reconciliation Week, which this year involved events in corporate, community and government organisations focusing on the theme of ‘More than a word. Reconciliation takes action’.
7. Our Reconciliation Action Plan Program (RAP Program) has seen more than 1,100 corporate, government and non-government organisations commit to actions to progress reconciliation, including demonstrating support for constitutional reform. Almost 3 million people are employed by RAP organisations with 825,550 students studying at an institution with a RAP. Over two billion dollars in goods and services were procured from Aboriginal and Torres Strait Islander businesses in the July 2019 – June 2020 reporting period.
8. Our Narragunnawali: Reconciliation in Education Program (Narragunnawali Program) supports the development of environments that foster a high level of knowledge and pride in Aboriginal and Torres Strait Islander histories, cultures and contributions. The program provides professional learning and curriculum resources to Australian teachers and the RAP development process for schools and early learning services across the country. It currently supports more than 76,989 teachers, educators and community members. 1337 schools and early learning services, representing eighteen per cent of all schools and early learning services have a current RAP.
9. Our Indigenous Governance Program aims to progress reconciliation through recognising, supporting, and celebrating strong Aboriginal and Torres Strait Islander governance and self-determination. The program objectives are to build the capability of Aboriginal and Torres Strait Islander organisations to create better outcomes for the communities they serve. It helps positively reframe the wider community and policy discourse around Aboriginal and Torres Strait Islander governance and success. The program directly addresses three of the five dimensions of reconciliation — equality and equity, institutional integrity and unity — and indirectly influences race relations and historical acceptance.

3. Introduction

10. Reconciliation Australia welcomes the opportunity to make a submission to the Indigenous Skills, Engagement and Employment Program (ISEP).
11. We note and support the intention to replace the Vocational Training and Employment Centres (VTEC), Tailored Assistance Employment Grants (TAEG) and Employment Parity Initiative (EPI) with the ISEP to contribute to closing the gap in employment by supporting pathways to employment for Indigenous Australians, through flexible, locally informed investment.
12. In our 2021 State of Reconciliation Report, we set out a clear vision for the nation to move from safe to brave in the way that we approach reconciliation. This includes in relation to the economic and employment gaps experienced by Aboriginal and Torres Strait Islander people. Our overarching goal in that regard is that Aboriginal and Torres Strait Islander Australians participate equally and equitably in all areas of life.

13. In that report, we articulated a clear call for action that governments, working in genuine partnership with Aboriginal and Torres Strait Islander peoples, must address each of the social and economic gaps experienced by First Peoples.
14. We therefore welcome the intent of the development of ISEP to help Indigenous Australians into quality and long-lasting jobs, strengthen Indigenous businesses and community organisations, and transform the way governments work with Aboriginal and Torres Strait Islander people.
15. In this submission we focus on the following areas:
 - A framework for Indigenous employment
 - Providing a safe and culturally appropriate work environment
 - Valuing skills and perspectives of Indigenous employees
 - Monitoring and measuring ISEP contributions to Closing the Gap
16. These areas are underpinned by our belief that approaches in Aboriginal and Torres Strait Islander affairs:
 - must follow clear and transparent processes that model genuine partnership
 - must empower Aboriginal and Torres Strait Islander people and organisations
 - must culminate in decisions based on clear evidence.

4. Recommendations

In response to the *Discussions Paper on Indigenous skills, engagement and employment Program (ISEP)* released in July 2021, Reconciliation Australia recommends to the Department that:

Recommendation 1: The ISEP should set out expectations of commitments and relevant actions employers or employment service providers can implement to improve employment outcomes. Consideration should be given to what frameworks or mechanisms, including the RAP framework, could support this.

Recommendation 2: The ISEP should set out expectations for employers to develop positive, culturally safe workplace practices. Consideration should be given as to how government can support, encourage and promote building the cultural capabilities of organisations and potential employers.

Recommendation 3: The ISEP set out that access to government funding requires an employer or employment service provider to demonstrate they have strategies and commitments to address barriers to employment for Aboriginal and Torres Strait Islander peoples. These commitments should be periodically reviewed and improved upon over time.

Recommendation 4: The ISEP should include commitments for government agencies and employers regarding engagement with, and valuing and embedding of, Aboriginal and Torres Strait Islander perspectives across all aspects of the design and implementation of Indigenous-specific employment investments.

5. A framework for Indigenous employment

17. In recent years, community and business support for reconciliation has grown exponentially. There is a strong expectation from employees, suppliers, customers – and the nation as a whole – that Australian organisations should contribute to reconciliation.
18. This is supported by a growing expectation that organisations ensure that barriers to employment are addressed, including through making and following through on commitments, so that organisations can support Aboriginal and Torres Strait Islander skills and employment outcomes.
19. Such commitments and actions should include the establishment of formal structures to ensure that local Aboriginal and Torres Strait Islander people can provide input into employment initiatives and provide local context. This may include the establishment of working groups or advisory groups, with Aboriginal and Torres Strait Islander employees, organisations and local communities.
20. Reconciliation Australia's Reconciliation Action Plan framework (RAP Framework) can be used by individuals, organisations and communities to guide their work in implementing reconciliation initiatives in the workplace and beyond.
21. Our RAP framework requires that participating organisations take action to improve Aboriginal and Torres Strait Islander employment outcomes by increasing their organisation's recruitment, retention and professional development strategies. It also provides a framework for increasing Aboriginal and Torres Strait Islander supplier diversity and procurement to improve social and economic outcomes.²
22. A key objective is to support improved employment outcomes for Aboriginal and Torres Strait Islander peoples. Through the RAP program, we have observed a variety of approaches taken to workforce planning and employment initiatives by government and private sector organisations to connect Aboriginal and Torres Strait Islander people with rewarding careers. These involve building culturally safe work environments and facilitating long-term partnerships between Aboriginal and Torres Strait Islander businesses and the private sector.
23. In 2020, 63,975 Aboriginal and Torres Strait Islander people were employed within RAP organisations.³ The number of Aboriginal and Torres Strait Islander people employed in organisations with a RAP increased significantly from 2018, where 41,186 employees were reported.⁴
24. RAPs are also contributing to improving Indigenous representation across all employment levels. In 2020, organisations with a RAP employed 270 Aboriginal and or Torres Strait Islander employees at a board level, 406 at an executive level, 3795 at management level, 160 secondees, 268 cadetships, 26,945 employed at a junior level, 1092 apprentices, 1529 contractors and 514 internships.

² Reconciliation Australia (2018), RAP Framework. Available at: <https://www.reconciliation.org.au/wp-content/uploads/2018/09/rap-framework.pdf>

³ Reconciliation Australia (2020), RAP Impact Report 2020, available at: https://www.reconciliation.org.au/wp-content/uploads/2021/04/RAP_Impact-report-2020_web.pdf

⁴ Reconciliation Australia (2018), RAP Impact Report 2018, available at: https://www.reconciliation.org.au/wp-content/uploads/2019/04/ra_rap-impact-report-2018_single_web.pdf

25. Additional to direct employment, RAP organisations contributed to \$2,086,255,726 of goods and services being procured from Aboriginal and Torres Strait Islander businesses. Such businesses are more likely to employ Aboriginal and Torres Strait Islander people and provide a culturally safe workplace to contribute to recruitment and retention.
26. This contribution to employment by RAP organisations is not limited to those organisations that are more advanced in their reconciliation journey, with organisations who are new to the RAP program contributing 59% to the overall Indigenous employment numbers for the program in 2020.⁵
27. The employment targets expected through the RAP framework have made significant contributions in improving employment outcomes for Aboriginal and Torres Strait Islander peoples across all organisations with a RAP. The 2019 RAP Program Evaluation reported that the majority of Aboriginal and Torres Strait Islander employment was directly attributable to the organisation's RAP.
28. This success is not only due to the inclusion of specific employment related targets for individual organisations, but to developing and implementing culturally appropriate, partnership-centred solutions that uphold the unique rights of Aboriginal and Torres Strait Islander peoples. This helps to create the right environment for Aboriginal and Torres Strait Islander peoples to participate equally in employment opportunities.⁶
29. Providing employers with a framework of key commitments and actions they can take to improve employment outcomes enables organisations to undertake workforce planning and employment initiatives which are more likely to succeed and be sustainable. This is evidenced by the results of the 2020 RAP Impact Measurement Report which found that 85% of employees of RAP organisations felt as though Indigenous employment initiatives within their organisation were driven by their RAP.⁷
30. RAPs provide organisations with a roadmap for engaging respectfully with First Nations stakeholders, and public commitments mean senior leaders in organisations are accountable and motivated to achieve goals. Community stakeholders value the accountability and public commitments that come with a RAP and this helps turn good intentions into meaningful action. In 2019, EY and the Wollotuka Institute at the University of Newcastle studied 100 organisations that were committed to reconciliation but lacked a RAP. They found that while the organisations held similar convictions, they were significantly less likely to pursue sustained and strategic efforts to advance reconciliation.

Recommendation 1: The ISEP should set out expectations of commitments and relevant actions employers or employment service providers can implement to improve employment outcomes. Consideration should be given to what frameworks or mechanisms, including the RAP framework, could support this.

⁵ Reconciliation Australia (2020), RAP Impact Report 2020, available at: https://www.reconciliation.org.au/wp-content/uploads/2021/04/RAP_Impact-report-2020_web.pdf

⁶ Reconciliation Australia (2018), RAP Framework. Available at: <https://www.reconciliation.org.au/wp-content/uploads/2018/09/rap-framework.pdf>

⁷ Reconciliation Australia (2020), RAP Impact Report 2020, available at: https://www.reconciliation.org.au/wp-content/uploads/2021/04/RAP_Impact-report-2020_web.pdf

6. Providing safe and culturally appropriate work environment

34. Creating real, meaningful and sustainable employment outcomes requires more than just a focus on job placements. The right workplace environment is central to the successful recruitment, retention and progression of Aboriginal and Torres Strait Islander employees.
35. Many barriers faced by Aboriginal and Torres Strait Islander jobseekers come from within the workplace. Employers must address these barriers in their workplace culture, including current employee attitudes and behaviours, and implement targeted programs to achieve enduring employment outcomes with Aboriginal and Torres Strait Islander peoples.
36. One of the key outcomes of the RAP Program has been the increased understanding of and respect for Aboriginal and Torres Strait Islander cultures, rights and experiences. In 2020, 48,067 employees within organisations with a RAP undertook face to face cultural learning and 250,683 took part in cultural e-learning.⁸
37. Analysis shows that undertaking cultural learning activities has an accumulative positive effect on people's disposition to key reconciliation objectives. The most marked effect was on their relationships with Aboriginal and Torres Strait Islander colleagues and their support for workplace cultural safety.
38. Building the cultural capabilities of organisations through participation in reconciliation activities has demonstrated a range of benefits. Reconciliation Australia's Workplace Reconciliation Barometer shows that employees who've participated in at least one RAP activity with their current organisation are more likely to see the relationship between Indigenous and non-Indigenous Australians as very important (80%), compared with those who haven't (68%).
39. Further to this, employees who've participated in at least one RAP activity with their current organisation are more likely to hold very high trust (40%) for Indigenous colleagues, compared with those who haven't (27%).
40. Reconciliation Australia believes that in the development of the ISEP, a focus on supporting employers to address systemic racism and promote culturally safe workplaces is imperative.
41. We also believe that access to government funding should require an employer or employment service provider to have holistic strategies to address these internal barriers and support recruitment and retention for Aboriginal and Torres Strait Islander peoples. This requirement would effectively set a minimum standard for potential employers to ensure that government funds are targeted to organisations with the greatest chance of delivering cost-effective and sustainable employment outcomes.
42. Investing in the cultural capabilities of organisations has demonstrated benefits in improving Aboriginal and Torres Strait Islander recruitment and retention within organisations.
43. We recommend that in developing the ISEP, implementing culturally appropriate, partnership-centred solutions that uphold the unique rights of Aboriginal and Torres Strait Islander peoples is central. This helps to create the right environment for Aboriginal and Torres Strait Islander peoples to participate equally across education and employment.

Recommendation 2: The ISEP should set out expectations for employers to develop positive, culturally safe workplace practices. Consideration should be given as to how government can

⁸ Reconciliation Australia (2020), RAP Impact Report 2020, available at: https://www.reconciliation.org.au/wp-content/uploads/2021/04/RAP_Impact-report-2020_web.pdf

support, encourage and promote building the cultural capabilities of organisations and potential employers.

Recommendation 3: The ISEP set out that access to government funding requires an employer or employment service provider to demonstrate they have strategies and commitments to address barriers to employment for Aboriginal and Torres Strait Islander peoples. These commitments should be periodically reviewed and improved upon over time.

7. Valuing the skills and perspectives of Indigenous Employees

44. The right of Aboriginal and Torres Strait Islander people to have a voice in the decisions and policies that affect them as articulated in the UN Declaration on the Rights of Indigenous Peoples, leads to better outcomes, and is a principle supported by the broader community.
45. Government approaches to working with First Peoples in the development of the ISEP must support self-determination and be consistent with the Declaration. It must be underpinned by clear, structured, and mandated engagement with Aboriginal and Torres Strait Islander People that ensures First Peoples' voices are heard in the development and implementation of the ISEP.
46. The 2020 Australian Reconciliation Barometer—Reconciliation Australia's biennial nationally representative survey of attitudes and perceptions towards reconciliation—indicates that there is clear public understanding of the importance of First Peoples having a voice:⁹
31. 95% of the general community and 94% of Aboriginal and Torres Strait Islander people believe it is important for Aboriginal and Torres Strait Islander people to have a say in matters that affect them.
32. RAP partners are playing an important role in ensuring that Aboriginal and Torres Strait Islander voices inform their reconciliation initiatives and actions.
33. A key component of the RAP framework is the requirement that RAP organisations establish a RAP Working group which includes representatives from a wide range of business areas and levels within the organisation, including representation of key decision makers within organisations.
34. RAP Working Groups have become a key mechanism for engaging with and valuing the perspectives of Aboriginal and Torres Strait Islander employees and external advisors. Such engagement supports organisations to develop and evaluate recruitment and retention strategies, as well as promote participation in cultural awareness trainings and improving the cultural capabilities of the organisation.
47. Valuing the skills and perspectives of Aboriginal and Torres Strait Islander peoples and embedding these across the business practices of an organisation is critical to increasing Aboriginal and Torres Strait Islander employment, staff retention, and creating pathways for career progression.

⁹ Reconciliation Australia, Australian Reconciliation Barometer, 2020

Recommendation 4: The ISEP should include commitments for government agencies and employers regarding engagement with, and valuing and embedding of, Aboriginal and Torres Strait Islander perspectives across all aspects of the design and implementation of Indigenous-specific employment investments.