

Context and Opportunities

- Strong business case for investing in and developing a local,
 - untapped Indigenous Australian workforce
- Indigenous Economic Development Strategy

The Green Paper on Indigenous Employment was released by the Australian Centre of Excellence for Local Government last year setting out the business case for local government to collectively recognise and act on workforce development for Indigenous Australians as a solution for a rapidly approaching skills and labour crisis in the sector due to an ageing workforce.

The department responded to ACELG in September 2010 agreeing with this analysis and emphasised that DEEWR is available to assist local government councils address this issue individually and nationally, and that our programs and services were available to assist any local government councils prepared to provide sustainable employment to Indigenous Australian job seekers.

I would urge you, if you have not already, to become familiar with the new Indigenous Economic Development Strategy, which has been in a consultation phase and is approaching finalisation. This document draws together the bigger picture of how Australian Government efforts will be focused over the next few years and outlines a framework for increasing economic development for Indigenous Australians and their communities. It focuses on five key areas for improving the prosperity of Indigenous Australians: education and building individual capacity; creating sustainable job opportunities; supporting business and enterprise development; financial security and independence; and strengthening the foundations to provide an environment that supports economic development.

As you have probably heard from other speakers, skills drain from regions will start to become pronounced again as the resources boom continues to pay higher wages for skilled labour. This only goes to strengthen the case for developing a local Indigenous Australian labour force as many Indigenous Australians would prefer to remain close to their families and communities.

Workforce Development • knowing the community • developing the labour supply • growing the demand for labour • supporting and developing enterprise development

Therefore, the approach the Australian Government would be looking to Local governments to take up and run with, is to be thinking strategically and engage with local Indigenous Australian communities to develop a partnership approach, to develop a workforce strategy for Indigenous Australians in their local government area. A workforce strategy that establishes the framework to build a skilled and work-ready workforce in demand areas of Indigenous Australians.

A workforce strategy differs from an employment strategy in scope and overall vision. Workforce strategies are aimed at achieving long-term participation of individuals in the labour market, and require a collaborative approach between government, industry, employers, training providers and the community. Employment strategies are, on the other hand, tailored to the business needs of individual organisations and employers and generally focus on attracting and retaining employees in that organisation.

A workforce strategy establishes the framework to build a skilled and work-ready Indigenous Australian workforce in demand areas. We know that the employment of Indigenous Australians in the mainstream economy is generally expected to increase in line with increases in economic activity, but this depends on a range of factors including employer demand and labour supply. A workforce strategy can address some of the impediments to the employment of Indigenous Australians.

Once there is an understanding of the opportunities and barriers to the employment of Indigenous Australians in the target area, relevant employment and participation outcomes and strategies can be established. The strategies should aim to develop an Indigenous Australian-specific labour supply, grow demand for labour, and support enterprise development. DEEWR's program and services can then be drawn on for support.

Local councils will already have a good idea of local employment conditions and will have strong relationships with local business. Many local councils will already have well developed partnerships with the local Indigenous communities, but some have work to do.

DEEWR support to get started: • Job Services Australia providers should be approached • Tailored assistance can support: - development of a workforce strategy - training and work readiness - on the job training and up-skilling - traineeships, cadetships and apprenticeships - language, literacy and numeracy training

DEEWR does have an extensive range of programs and services including Job Services Australia, which can assist local councils in workforce development.

As a first step, local government councils should first develop relationships with Job Services Australia providers in their area to identify suitable Aboriginal and Torres Strait Islander job seekers to place into their workforce. You will find Job Services Australia providers located in more than 2000 towns, cities and rural sites across Australia. Rather than having to move in and out of different programs, or from one provider to another, job seekers will now be linked to a provider of their choosing, who in many cases will work with them throughout the duration of their journey to employment.

However local governments are well placed to approach us about tailored assistance to develop and implement strategies that meet their needs and those of their local communities. The Indigenous Employment Program primarily operates through a panel of providers, qualified to deliver these services and have strong links into Indigenous Australian communities. Many local governments have already benefited from the program. Since the program began (in 1999), funding of \$20.7 million has been approved for tailored assistance projects to local government councils, resulting in 1406 employment and training placements to date.

In addition since 2007, \$2.0 million has been approved through Indigenous Wage Subsidy program for 321 placements, as well as another \$300,000 to support 12 Indigenous Cadetships. Currently, just under \$6.0 million of IEP projects are in place to support around employment placements.

The ACELG Green Paper suggests a range of demonstration projects, which in general are within the scope of the IEP to support. We have been talking to ACEWLG about some of these ideas, but the IEP is available now to support any local government council that is prepared to commit to employing Indigenous Australians.

Indigenous Employment Program Tailored assistance can support:

- development of a workforce strategy
- training and work readiness courses potential employees
- on the job training and up skilling current employees
- traineeships, cadetships and apprenticeships
- accredited language, literacy and numeracy training.

Further assistance:

- · provide mentoring support and career guidance
- contribute to the costs of employment through wage subsidy
- · Support cultural awareness training
- train personnel in culturally appropriate recruitment and workplace practices and human resource management

IEP can also:

- provide mentoring support and career guidance
- •contribute to the costs of employment through wage subsidy
- Support cultural awareness training
- •train personnel in culturally appropriate recruitment and workplace practices and human resource management.

The level of support that IEP can provide is dependent on the number suitable permanent jobs available to IEP participants. We can't fund the creation of new positions as such, but we can provide significant levels of support to assist Indigenous job seekers into your existing or future vacancies.

Key factors for successful projects that have been run recently with Latrobe City Council (Vic) and Albury City (NSW) have been:

- Development of a place-based strategy in consultation with community
- •Full-time mentor through the project and preferably ongoing
- •Buy-in from the Councils' senior staff
- •Cross-cultural awareness training for council staff and project participants
- •Permanent employment and career pathways available for project participants.

Higher skill levels • IEP can also support tertiary training through Cadetships • Need mentors and role models - who are your own Indigenous Australian success stories?

The ACELG Green Paper also highlights the particular problem that local governments face in developing staff for higher skills level occupations, especially regional and remote, where there is a pressing need for more tertiary trained town planners.

IEP includes a separate stream for cadetships to support the development of careers in high skill and executive roles in local government for Indigenous Australians.

Mentoring is a key aspect of this and we urge councils as a first step to recognise and celebrate their Indigenous Australian staff and seek their participation as potential mentors in such a project.

The Indigenous Cadetship program links full-time Indigenous Australian students undertaking a diploma, an advanced diploma or their first undergraduate degree with employers who can give them work placements and ongoing employment once they finish their studies.

Cadetship employers:

- •provide paid work placements of 12 weeks for each year of the cadetship
- *support the cadet through their study and work placements, giving professional guidance and mentorship
- •employ cadets under an appropriate industrial instrument
- •intend offering ongoing employment to the cadet once they successfully complete their cadetship.

Financial assistance - Indigenous Cadetship Support provides up to \$14 100 per annum to employers to support cadets with a living allowance and study-related costs and offset employer administration costs.

Ouestions & further info DEEWR has an extensive State and Territory Office network, including many regional centres Contact with them can be made directly through our website WWW.deewr.gov.eu/Indigeness or email us

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Or the:

Regional Development Australia Fund www.regional.gov.au/regional/programs/rdaf.aspx

Critical Skills Investment Fund www.deewr.gov.au/Skills/Programs/SkillTraining/CSIFund/Pages/Home.aspx