

Submission of the  
Australian Council of Trades Unions  
Indigenous Committee  
Response to

Increasing Indigenous Employment Opportunity  
Proposed Reforms to CDEP  
And  
Indigenous Employment Programs

## 1. Introduction

The Australian Council of Trade Unions (ACTU) is the peak Union body in Australia and works with Affiliated Unions, representing over 2 million workers in Australia to advance the industrial, political and social standing of their members.

The ACTU Indigenous Committee comprises Indigenous representatives of National Unions and represents Indigenous members of affiliates of the ACTU. The committee's main aim is to:

*Provide culturally appropriate and accountable leadership, support and advice to the ACTU executive and affiliates in relation to Indigenous employment and Social Justice issues and strategies affecting the lives of Aboriginal and Torres Strait Islander peoples.*

The ACTU Aboriginal and Torres Strait Islander Committee seek to promote equality for Aboriginal and Torres Strait Islander peoples in the workplace and in society, and to achieve a society and workplaces free from discrimination and harassment.

The Committee congratulates the Government for instigating the review of Indigenous employment programs, which we hope will provide much needed reform to the current Indigenous employment framework and the employment services system which assists Indigenous job seekers.

This submission is a response, primarily, to the Increasing Indigenous Economic Opportunity and Increasing Indigenous Employment discussion papers. However, the Committee feels that any response needs to be made in the context of the proposed Universal Employment Framework. Therefore all comments and ideas presented are about the issues around, and potential for, Indigenous employment.

This submission is designed to address and make suggestions on the broader issues in Indigenous employment. The submission addresses relevant discussion points from the Universal Employment Framework paper and includes structured references to the Increasing Indigenous Employment Opportunity – proposed reforms to the CDEP and Indigenous Employment Programs.

## 2. Background

Unions have a long history of fighting for improved conditions for working families, including Aboriginal and Torres Strait Islander workers and their families.

Whilst we have been able to achieve significant gains for union members and communities through bargaining, and community campaigning, thousands of Indigenous workers remain without basic rights and are usually employed in the most vulnerable and insecure types of work.

Recognising this, in 2003 ACTU Congress formally resolved that it was committed to the development of an effective partnership with Aboriginal and Torres Strait Islander peoples and communities, and believes that such a partnership should (amongst other key issues):

- continue to work towards the redress of the economic and social disadvantage faced by Aboriginal and Torres Strait Islander peoples, particularly in relation to employment.

The Committee's submission is based on this policy and proposes a range of ideas about the new framework. The Committee believes that our proposal:

- balances the rights and obligations of employers, employees and government;
- provides suggestions on how to engage more broadly with all stakeholders in capacity building for communities;
- is underpinned by a basic framework of achieving real jobs and working opportunities for Aboriginal and Torres Strait Islander Australians, which are built on skills and ongoing support through education and training.

There are a range of issues which impact on Indigenous peoples' access to employment. These include low levels of education and training, proximity to employment and industry and the need to create workplaces which recognise and respect the rights of Indigenous people to operate within a cultural framework.

Indigenous cultural values can and should be protected at work. Ensuring that the workplace is a culturally safe environment, which establishes procedures for mentoring and support of staff working in a cross-cultural environment will foster and grow cross-cultural communication and understanding.

Governments can develop education programs for employers and employees about Indigenous rights to cultural recognition at work, and provide access to housing to sustain employment.

Aside from issues with outcomes and participation, the development and implementation of education and training programs and curricula which recognise Indigenous knowledge and cultural contexts are imperative. This also requires the development and implementation of strategies for increasing the numbers of Indigenous people working as teachers and educators across all sectors of education.

Governments can:

- Provide access to appropriate education and training infrastructure.
- Facilitate the development and uptake of a Recognition of Prior Learning strategy for Indigenous workers to sustain employment once gained.
- Develop and implement strategies to increase the numbers of Indigenous teachers and education workers across all sectors of education.

The Committee notes the National VET Indigenous Advisory Taskforce (NVIAT) has determined that links to employment will be its central strategic objective until the end of 2008. The Taskforce was motivated in reaching this position by the intimate connection between the achievement of meaningful employment for Indigenous Australians and social, personal and community benefits and by the current economic climate where unemployment is at an historical low and there are widespread labour and skills shortages. The NVIAT has identified specific areas of focus including:

- Collaborative programs of work to generate greater participation by Indigenous Australians in the mining, construction and health industries;
- A comprehensive research project focusing on successful models for Indigenous training and employment in targeted industry sectors; and
- Building capacity of the Indigenous VET Workforce. .<sup>1</sup>

---

<sup>1</sup> National VET Advisory Taskforces, Joint Communiqué to stakeholders, The National VET Equity Advisory Taskforce (NVEAT), The National VET Indigenous Advisory Taskforce (NVIAT), The National VET Disability Advisory Taskforce (NVDAT), Autumn 2008

### 3. Committee's Response to Proposed Reforms

#### *Integrated Services & Reforms to Universal Employment Services*

It is clear that the government is committed to ensuring the new employment service system works. This is demonstrated by establishing processes which require the inclusion of CDEP providers and communities in the development of policy and procedures.

Our understanding is that there are four (4) mechanisms in place to ensure local input into employment services:

- i) Statement of Intent: to be provided by tendering service providers on how they intend to service the local community;
- ii) Provider Indigenous Employment Strategies: as a contract requirement;
- iii) Service Level Agreements: between UES providers and CDEP providers –mandatory requirement; and
- iv) Service Level Agreements: between UES providers and IEP providers for specific projects – voluntary

Whilst these mechanisms demonstrate positive change in employment service provision there are some areas which can be strengthened to ensure compliance and outcomes for job seekers.

Firstly, the requirement to provide a statement of intent can be strengthened by including a provision which requires the UES provider to nominate a community contact who can act as a referral point for government.

Under the previous framework, although there was a requirement of consultation, feedback from CDEP providers and community organisations suggest that this was informal and quite often they played no part in the provider's development of policy or strategies.

Secondly, Indigenous employment strategies need to be realistic, achievable and providers should be accountable against them. Throughout the life of the 3 year contract providers will be required to report on key performance indicators; the Committee suggests that the implementation of Indigenous employment strategies be included in reporting requirements.

Finally, the service level agreements between UES and IEP providers can be strengthened to include mandatory consultation with a community, community organization or newly created Community Support program providers.

Although CDEP is being integrated into UES in Non-Remote areas consideration should be given to the fact that there are significant communities in urban and regional areas.

The Committee submits that although there are distinct and unique barriers experienced by “remote” Indigenous communities, the more intensive programs and consultation requirements should not be restricted to these communities only. The idea of providing holistic, outcome driven, services should include all stakeholders having a part in the development of programs.

Low literacy and numeracy skills are not confined to “remote” communities. Nor are significant barriers to employment such as long term unemployment inertia and institutional ignorance. A whole of community approach to gaining outcomes in these areas would increase the prospects of long term employment outcomes significantly. More specifically, these outcomes would be more tangible in areas where there is a higher opportunity for post educational employment (i.e. area where there are more jobs to access).

To increase overall employment outcomes, particularly if UES will be the largest provider of employment services for Indigenous people, Indigenous organisations must be consulted about best practice provision regardless of location and all stakeholders should be required to cooperate in the provision of the service.

To ensure that the new integrated system is as effective as possible, particularly with regard to Indigenous job seekers, the assessment criteria – adopted by Centrelink and UES providers – needs to reflect culturally distinct barriers and any assessments undertaken need to be in a culturally appropriate manner.

Where possible, especially for discrete Indigenous communities (urban, regional or remote) assessment should be undertaken by an Indigenous JCA/JSCI. Where it is not possible to have an Indigenous JCA/JSCI involved there needs to be an Indigenous worker or support person involved.

Through ensuring this type of involvement and relationship building with the Indigenous job seeker, there is a higher likelihood that they will move from stream to stream and achieve permanent employment outcomes.

It is proposed that the government should investigate employing targeted and identified mentoring / support personnel for the APS.

The government should also include career development and progression strategies for APS employees who are Indigenous but are not trained in the JCA/JSCI processes.

Another element in ensuring the new system is effective is providing job seekers with a choice and voice. This obviously has to be balanced with the need to provide certainty for providers and their staff.

The committee proposes that the best way to achieve this balance is placing a requirement on UES providers to produce material that summarises: a) the services that they provide for Indigenous job seekers; and b) the content of their statement of intent provided in the contract tender.

This way, UES providers are being accountable and transparent and job seekers are able to make a genuine, informed choice of which service provider to register with.

These materials can be distributed at Centrelink.

Recommendations:

- Strengthening provider requirements to genuinely involve Indigenous communities in the development of their policies and internal employment strategies.
- Encouraging providers, especially those that operate in areas with a high Indigenous population, to have Indigenous Board members.
- Investigating the employment of targeted and identified mentoring / support personnel for the APS.
- Strengthening career development and progression strategies for APS employees who are Indigenous.
- Ensuring that job seekers can make an informed choice of UES providers but making it a requirement to provide information on available services and statements of intent.

### *Reforms to the Indigenous Employment Program*

The Committee submits that a review needs to be undertaken of all existing Commonwealth funded Indigenous Employment Programs. With the focus of the IEPs being on helping employers recruit and retain Indigenous workers, best practice and successes should be benchmarked at those programs that have gained solid outcomes for communities and individuals in terms of gaining long term employment.

It is recognised that any project needs to have an employer/industry base that can accommodate employment and, in certain regions there is limited industry capacity; however the focus should not be only on employers.

Any successful program will be multifaceted, with a primary focus on employer/industry and community/employee aspirations, training and employment requirements. There needs to be a balance across business, industries, communities and other stakeholders such as unions, community organisations and UES providers.

Unions have a unique position in that they have employer and industry body relationships and membership within communities themselves. There are several successful, union –community – employer coalitions which focus on increasing community capacity and providing training and long term employment.

The Committee welcomes the opportunity to expand these programs and continue the relationship with community, government and employers.

It is agreed that there are too many different elements and too much red tape in the current IEPs and this causes barriers to employers and other stakeholders engaging in employment programs.

Recommendations:

- Developing, as a matter of priority, an easy to access and read “handbook” which consolidates all of the available employment program incentives. Feedback, particularly, from community organisations suggest that current government literature is hard to understand and navigate.
- Creating a mechanism and education strategy which ensures industrial compliance by UES providers, IEP providers and employers accessing government funding.
- Providing for unions and or their peak bodies (i.e. ACTU and State Trades and Labour Councils) to have a direct contact point within the government to discuss the potential for “broker” arrangements in Indigenous employment.

#### *Reforms to the CDEP Program*

The Committee congratulates the Government on their commitment to convert CDEP positions involved in government service delivery to properly paid jobs.

Many people, particularly in remote communities, are working for Government departments, yet are employed under the CDEP scheme. The consequences of these types of employment arrangements are that at the very least, under the CDEP-funded component of these positions, people are not being

paid their leave and superannuation entitlements. At the very worst, for the last 15 years entire communities and organisations involved in delivering the CDEP scheme not applied industrial standards in their employment arrangements, leading to significant financial loss for employees. This non-compliance has been extremely counter productive in terms of CDEP being a 'pathway' into long term employment.

Whilst CDEP reform is taking place, and it is proposed that scheme is grandfathered by June 2010, this still leaves a significant number of people who, for the next 2 years, are unable to access employment entitlements taken for granted in the mainstream industrial environment. The ramifications of this in terms of superannuation and entitlements such as long service leave cannot be understated.

Recommendations:

- Audit and monitor the industrial compliance of CDEP organisations and employers contracting CDEP services.
- Consult with stakeholders about implementing a CDEP industrial instrument for the remainder of the CDEP scheme.
- Provide funding tied to real permanent long term employment outcomes.
- Ensure Indigenous people are actively involved in the development of policy.
- Monitor progress in closing the gap between the pay of Indigenous and non-Indigenous Australians.
- Establish Aboriginal and Torres Strait Islander Workplace Services Units in government departments.

*Next steps and moving to the new arrangements (transition)*

One of the greatest concerns of the Committee with regard to employment service provision, CDEP and Indigenous employment programs is ensuring industrial compliance from all stakeholders.

In terms of transitioning to the new arrangements the Committee proposes that the government undertake a consultation / education process with all relevant unions.

There is the potential for job losses during the transition, for example in service providers, and CDEP positions that will convert to government jobs. Unions need to be informed about the changes to the system and have an opportunity to ask industrial / industry specific questions. Unions can then adequately represent their members who may be affected by the changes.