

Commonwealth Grants Commission
Indigenous Funding Inquiry
Submission

**From: The Department of Employment Workplace
Relations and Small Business**

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Mr R J Searle
Secretary
Commonwealth Grants Commission
Cypress Court
5 Torrens Street CANBERRA ACT 2612

Dear Mr Searle

Thank you for the opportunity to provide a submission to the inquiry into indigenous funding.

We understand from the terms of reference for the inquiry that a key task is to determine a methodology for measuring the needs of indigenous people for government services, relative to the geographic locations of the indigenous population.

Mapping public funding programmes and services in which indigenous Australians participate or benefit directly is an appropriate starting point for the inquiry. However it is important that the question of fit between need and the distribution of public resources recognises the basic difference between categories of government programmes and services. Services which address peoples' basic infrastructure needs, such as housing, water and sanitation, and other municipal services, for example, contrast sharply with those which function to facilitate equitable access to market generated opportunities, as is the case with employment assistance. This principle needs also to be taken into account if the inquiry is considering recommendations which may involve changes to funding arrangements.

The fundamental aim of the Department's employment programmes and services is to place disadvantaged job seekers, including indigenous people, in job vacancies within existing labour markets. For indigenous people our objective is to reduce their overall level of unemployment by improving their representation in the labour forces of the communities in which they reside. It needs to be noted that unemployment rates for indigenous jobseekers are high apparently regardless of geographic location. The Department's employment programmes and services do not create employment directly. They apply principally to functioning labour markets.

The employment programmes provided by this Department are described in the body of this submission (refer **Attachment A**). They include mainstream programmes where measures are in place to ensure access for indigenous jobseekers and the specialist Indigenous Employment Programme (IEP). Funding through these programmes in broad terms flows to where labour markets exist. With the IEP in particular the emphasis is squarely on securing access to private sector job opportunities where indigenous people are profoundly under represented.

In considering the distribution of employment related funding the inquiry should take account of the Community Development Employment Projects (CDEP) scheme, administered by the Aboriginal and Torres Strait Islander Commission (ATSIC). Over 33,000 participants are assisted through CDEP at a cost of over \$430 million per annum. This is an employment generation programme that has a different purpose and funding methodology to the programmes of this Department. It would be useful to view the Department's programmes in combination with ATSIC's employment programmes. It could be argued that CDEP is most relevant in those areas with poor labour markets, where the reverse would be true for the Department's programmes.

Data is provided at **Attachment B** on indigenous people's participation and estimated funding under the Job Network, the Indigenous Employment Programme and the Work for the Dole programme. Work for the Dole and Indigenous Employment Programme data are provided by postcode as requested by your office. These are estimates only based on the home location of project providers. Job Network data is provided on the basis of the Department's labour market regions and at post code level. Please treat Job Network post code level data as commercial-in-confidence and publish only when aggregated to ATSIC region level.

You have indicated an interest in obtaining details for Area Consultative Committees (ACCs) and the Regional Assistance Programme (RAP). While descriptions of these measures are provided in **Attachment A**, RAP project funding has community wide application and it is not possible to separately identify participation by indigenous people or any specific funding impact on particular sectors of communities.

You also asked for comment on the suggested indicators of employment to assist the inquiry. Given that the value of the Department's employment assistance is dependent on job vacancies, the indicators of need should take account of regional labour market opportunities. This goes to the heart of the matter; that is, the need for indicators focussed on outcomes rather than inputs. Indicators to do with self employment, the number of indigenous businesses, and CDEP participation are more properly directed to ATSIC. The extent to which the Department can provide data has been discussed with your office.

Mr Russell Patterson on 02 6121 6400 and Mr Ross Young on 02 6121 6151 are available to assist you with any aspects of this submission or in relation to programmes data.

Dianne Hawgood
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June 2000

1: SPECIFIC PROGRAMMES FOR ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLE

The Indigenous Employment Policy

The Indigenous Employment Policy was launched by Minister Reith on 25 May 1999. The Policy is the Government's response to the continuing disadvantage in the labour market faced by indigenous people, and to indications from population research that the position was set to worsen.

The Government was concerned that indigenous Australians suffer very high rates of unemployment regardless of geographic location. The representation of indigenous people in private sector employment is very low and much of the Department's programme effort is directed to that sector. In addition, for the first time participants in the Community Employment Development Projects (CDEP) have the same access to mainstream and specialist programme assistance as those on Newstart and Youth allowances.

The policy has three components, the centrepiece of which is the Indigenous Employment Programme. The other components are the Indigenous Small Business Fund and Job Network.

The Indigenous Employment Programme

The Indigenous Employment Programme (IEP) operates in a parallel and complementary way with the Job Network, recognising that the characteristics of indigenous unemployment require additional scope to intervene, including in strategic ways. The Job Network is, however, the channel through which the main volume of employment assistance will be delivered to indigenous people.

IEP has a key focus on supporting on-going employment opportunities that can lead to a sustainable improvement in participants' economic status. A strategy used here is priority attention to accredited employment based training such as traineeships and apprenticeships. Another major focus is on improving the levels of participation of indigenous people in private sector jobs. The Department has estimated that more than two thirds of all jobs held by indigenous people are reliant to some extent on public funding, including indigenous community organisations and in the government sector.

The Indigenous Employment Programme has several elements, outlined below. The principal elements are Wage Assistance and Structured Training and Employment Projects (STEP). The budget for the Programme was announced as \$50 million, doubling the \$25 million formerly available for the Training for Aboriginal and Torres Strait Islanders (TAP) Programme.

Allocation of funds: preliminary comments

As noted above, IEP has been developed as an adjunct to the Job Network, extending the impact of Job Network funding on behalf of indigenous people, and supporting opportunities of a strategic nature. Where Job Network funding is allocated at the macro level on the basis of need, using indicators such as regional patterns of long term unemployment, the application of IEP funds is more opportunistic in nature. Described elsewhere is the mechanism by which individuals' level of labour market disadvantage is measured and on which their eligibility for Job Network services is based. Self identification as an Aboriginal or Torres Strait Islander person is one of the measures receiving a weighting here.

IEP expenditure, conversely, is delivered according to factors such as the willingness of employers to enter into strategic agreements and individual indigenous job seekers' own efforts in locating job opportunities. The efforts of the Department's network of around 80 indigenous employment staff in state and regional offices also plays a role here, in seeking out employment opportunities with business and indigenous communities.

Elements of the Indigenous Employment Programme

Below are details of the elements of the IEP, with further discussion on the factors behind funds distribution.

Wage Assistance

The Wage Assistance scheme pays \$4000 over 26 weeks to employers providing ongoing job opportunities. A \$2000 incentive for ongoing part time jobs is also available. Operational focus is placed on jobs in the private sector. Opportunities are self canvassed by job seekers, or through Job Network Members. Self canvassing cards are mailed to all eligible job seekers on the Centrelink register each 6 months, and when job seekers register with Centrelink. Job seekers must be registered as unemployed with Centrelink and in receipt of an income support payment (this includes CDEP). Nearly 41000 of the 42000 registered indigenous job seekers have been identified as eligible and have been issued with a card.

The scheme opened for business on 1 July 1999 and is administered centrally from Canberra – funds are not allocated to DEWRSB State office level. The Department's national network of indigenous employment officers plays an important role in promoting the scheme to job seekers, Job Network Members, and employers, and in facilitating placement opportunities. Take up by employers has been increasing progressively. Around 1400 unemployed indigenous people have now been placed into jobs under Wage Assistance. A significant proportion of the placements are in regional areas.

Structured Training and Employment Projects (STEP)

This scheme provides structured training and employment opportunities, usually involving new apprenticeships, for five or more people. Focus is placed on support for strategic agreements with large or regionally significant employers, and other projects offering prospects of permanent employment. Projects often include pre employment training articulating into jobs.

The scheme is administered by State offices of the Department, against budget allocations and targets agreed with National Office, and under guidelines which specify average placement costs. Each year a joint planning process is undertaken to agree funds allocations. The

process takes into account numbers on the Centrelink register at State level, as well as State Managers' assessment of business prospects. States can choose to advertise for communities to submit funding proposals, in addition to targeting their business search efforts. Around 80 projects have been approved since 1 July, to provide more than 2100 placements this year and beyond. Around 2000 have commenced employment in this programme, this financial year to date.

Participants must be indigenous persons in accordance with the Commonwealth definition, with the project sponsor responsible for taking steps to ascertain this. Participants need not be registered with Centrelink.

CEOs for Indigenous Employment Project

CEOs from a total of 34 major Australian companies have signed a commitment to providing more employment opportunities within their organisations. A total of 12 funding agreements have been secured and more than 700 job opportunities have been identified to date. Allocation of funds is entirely driven by the location of the opportunities arising. As for STEP, participants need not be registered with Centrelink, and project sponsors are accountable for ascertaining individuals' eligibility.

CDEP Placement Incentive

Community Employment Development Projects (CDEPs) receive a bonus of \$2000 for each of their participants placed in a full time job and off CDEP. Project management must provide evidence that the participant is off their schedule and in employment for at least 13 weeks for payment to be made. As for Wage Assistance, the scheme is centrally administered, with indigenous employment staff promoting the scheme to CDEP management and facilitating applications as required. At this early stage in the implementation of the scheme no attempt has been made to set targets or allocate funds at state or regional level. The scheme commenced on 20 September.

National Indigenous Cadetship Project

Provides indigenous undergraduates with opportunities to complete a professional qualification studying full time, together a commitment from an employer to a professional job on successful completion. The scheme is advertised in September each year, with employers reviewing applications and making employment decisions early the following year. Employers are reimbursed for participants' study allowances up to \$10,000 per year. There are nearly 160 cadetships approved and in training under IEP, with more than 70 approved for academic year 2000. A key issue for the Department is matching employer demand for students in particular disciplines with student applications. The number of cadetships supported is expected to increase over time with the increasing participation of indigenous people in tertiary education. Cadets come from all States, but participants are likely to continue to be from urban areas with greater access to educational opportunities and from relatively more advantaged circumstances.

Voluntary Services to Indigenous Communities Foundation

The Foundation will utilise skilled volunteers to provide for the short term needs identified by indigenous communities for business, financial and technical skills and mentoring. Appointments of board members are being finalised. The foundation will commence operation shortly with the Commonwealth providing \$0.5 million each year for three years. It is expected that most of the foundation's activity will be in rural and remote communities.

A public awareness campaign is being conducted to encourage the employment aspirations of indigenous job seekers and to support a positive attitude by private sector businesses to the employment of Indigenous people.

Other components of the Indigenous Employment Policy are the Indigenous Small Business Fund and the Job Network:

The Indigenous Small Business Fund

The Indigenous Small Business Fund was announced in the Indigenous Employment Policy in May 1999 and was launched on 20 October 1999.

The aim of the Indigenous Small Business Fund (ISBF) is to seek greater economic independence and employment creation through increasing the numbers of viable businesses owned and operated by indigenous people.

The funding of \$11m over three years comes from:

- DEWRSB – Regional Assistance Programme - \$5.5 million
- DEWRSB – Small Business Enterprise Culture Programme – \$0.5 million
- ATSIC - \$5 million

The ISBF provides funding to indigenous organisations and to indigenous individuals on the basis of applications received.

For indigenous organisations, the ISBF will provide funding for projects which identify and facilitate indigenous business opportunities, including by:

- a) providing entrepreneurship and business facilitation training;
- b) identifying possible business opportunities, including feasibility studies at the local level or more broadly;
- c) clarifying business opportunities and developing business plans and proposals; and
- d) providing advice or support services to small business owner/operators in developing their skills, markets and networks.

Indigenous individuals may apply for assistance in developing their own business ideas into a business plan where these are likely to have commercial potential.

The Fund is available throughout Australia.

The **Job Network** is covered in Part 2.

2: MAINSTREAM PROGRAMMES

Job Network

Job Network is a national network of around 200 private, community and government organisations which have been contracted by the Government to find jobs for unemployed people, particularly those who are long term unemployed, at around 2,000 locations across Australia. Job Network members (JNMs) offer flexible and tailored assistance to job seekers depending on their level of need. Funding does not relate to individuals; rather to a provider to deliver services to a number of job seekers. There are currently five employment services available under Job Network. They are:

- a. Job Matching - delivers labour exchange services to job seekers including canvassing for jobs and matching and placing suitable unemployed people to these jobs, as well as preparing resumes for job seekers. Job Matching assistance is available to most unemployed job seekers who are working less than 15 hours a week.
- b. Job Search Training - provides training in job search techniques (resumes, interview techniques, presentation skills) to prepare unemployed people to apply for jobs and give them the skills and confidence to seek and obtain employment. Job Search Training is generally provided to job seekers who have been unemployed for 3 to 12 months and who have current work skills.
- c. Intensive Assistance - provides individually tailored assistance to eligible job seekers who are more disadvantaged in the labour market to help them prepare for, and obtain, sustainable employment.
- d. New Enterprise Incentive Scheme - provides support and training for eligible job seekers who wish to pursue the option of self-employment.
- e. Project Contracting (Harvest Labour Services) - supplies labour in regions that require considerable numbers of out-of-area workers to supplement the local labour force in order to harvest crops.

The Department is concerned that Job Network may not be doing everything it can for indigenous Australians. A copy of the Job Network evaluation report is included

2. Indigenous Participation in Job Matching, Job Search Training and Intensive Assistance

See **Attachment B**.

3. Indigenous Participation in New Enterprise Incentive Scheme (NEIS)

NEIS assists unemployed job seekers to establish their own businesses. Only a small number of indigenous job seekers participate in NEIS as ATSIC conducts similar programs which are tailored to assist indigenous job seekers to establish businesses and are more comprehensive in their assistance.

There has been almost 11,800 NEIS commencements from 1 May 1998 to 26 February 2000, of which only 81 (less than one per cent) of participants were indigenous. There has been a

higher representation of indigenous participants in regions with higher indigenous populations:- 13 per cent of participants in Northern Territory were indigenous, 4 per cent of participants in Northern Queensland and 4 per cent of participants in Eastern NSW.

4. Expenditure data by service type

See **Attachment B**.

5. Second Employment Services Contract Period

The most significant change from the first Job Network tender was the introduction of price competition for Intensive Assistance so that all Job Network services would be tendered for on a price competitive basis. To assist the transition to a fully competitive market for Intensive Assistance, and as a safeguard to protect service quality, a minimum price floor was set below which tenderers could not bid.

Disadvantaged job seekers will benefit from the introduction of managed price competition for Intensive Assistance, as this will enable providers to effectively deliver quality Intensive Assistance services in a way that reflect job seekers' individual needs and the labour markets they are in. The tender provided the flexibility for organisations to price services to reflect the real costs.

Tenderers for Intensive Assistance were also able to bid to specialise exclusively in specific client groups such as people with a disability, indigenous peoples, people from non-English speaking backgrounds and young people.

The three selection criteria for IA (specialist) bids were as follows:

1. *Demonstrated capacity to deliver Intensive Assistance (or equivalent) outcomes for the specific client group for which you are tendering – 55 per cent weighting*
2. *Effective methods to deliver Intensive Assistance to the client group for which you are tendering – 30 per cent weighting*
3. *Demonstrated capacity to operate in a similar environment to Job Network – 15 per cent weighting*

Because the service to be delivered was the same, the process for selecting specialist IA providers in the Job Network Second Employment Services Contract (ESC2) was largely the same as for selecting generalist IA providers. However, for specialist IA bids tenderers were required to establish that there was a need for the specialist service they were proposing to deliver.

To assist the processes for referral of job seekers to Job Network members by Centrelink and help tenderers construct their bids, Australia has been divided into 19 tender regions and just under 140 employment service areas. Tenderers were therefore able to construct their bids to reflect the 'real cost' of providing services in these areas.

So that a sustainable and viable high-performing industry continues to develop with the right balance of high-performing providers in each location delivering a quality service to job seekers, the guidelines for the diversity of the market were altered for the second tender

round. A Job Network member can be awarded up to 70% of business per service in an employment service area and up to 50% of business in a region. A minimum of two to three providers in a local labour market will generally be required. Client choice of Job Network member and coverage of services were maintained to the fullest extent possible.

The needs of regional Australia, particularly rural and remote area servicing, were taken into account in the second Job Network tender round. Tenderers were able to take regional servicing issues and costs into account when preparing and pricing their bids to provide services to these regions. Where the tender process failed to produce a suitable provider for one or a number of services in a particular locality, a separate tender process for employment services was conducted on a fee-for-service basis. The nature of the services purchased through fee-for-service arrangements would be determined by the needs of that locality.

In considering the allocation of business to tenderers wishing to deliver specialist IA services, the Department took into account:

- the nature of the specialisations indicated;
- the level of representation of the client group in the region; and
- the client choice principles which were set out in the Request for Tender.

In addition, to be offered business to deliver Job Network services in an area where the client population has 5 per cent or more of Aboriginal peoples and Torres Strait Islander peoples, the tenderer had to demonstrate their capacity to help, and to communicate effectively with, indigenous job seekers.

For Intensive Assistance and Job Search Training, business has been allocated to Employment Service Areas (ESAs) following consultation with Centrelink on the availability of job seekers to be referred to sites in those ESAs. Job Matching places were allocated based on historical placement and vacancy levels.

To increase the accountability of Job Network members providing Intensive Assistance, the Declaration of Intent and Intensive Assistance Support Plan have been introduced to clarify (under contract) the range of assistance each Job Network member would provide to eligible job seekers and to specify the assistance to be provided to individual job seekers.

6. Indigenous Specialist Intensive Assistance Providers

In the second Job Network contract period, 3 March 2000 to 28 February 2003, a total of eleven Job Network members have been contracted to provide specialist Intensive Assistance services to indigenous job seekers at 41 sites around Australia.

7. Job Seeker Classification Instrument

The Job Seeker Classification Instrument (JSCI) plays a key role in Job Network. It is an objective classification tool which is used to estimate the relative labour market disadvantage of job seekers. On this basis, the JSCI identifies those job seekers most in need of Intensive Assistance (IA) and classifies them into appropriate funding levels.

Research conducted during the development of the JSCI indicated clearly that no single job seeker characteristic (such as indigenous status) was an adequate measure of labour market disadvantage. Rather, the full range of each individual's characteristics needs to be

considered to determine with reasonable accuracy which individual job seekers from any group are most disadvantaged and in need of Intensive Assistance.

Centrelink customer service officers interview job seekers and ask questions to collect information on the particular factors (personal characteristics or employment barriers) included in the JSCI. Each factor is assigned a numerical weight, or points, indicative of the average contribution the factor makes to the difficulty of placing a job seeker into employment.

The 1997 JSCI Survey findings generated an average national weight for Aboriginal and Torres Strait Islander status of 12 points. This includes the disadvantage faced by Aboriginal and Torres Strait Islanders living in particular geographic locations. This weight has been accepted by the Economics Division of the Aboriginal and Torres Strait Islander Commission.

On the basis that this weight reflects the average disadvantage faced by Aboriginal and Torres Strait Islander job seekers, the national weight is set to 11 points so that an additional 2 points can be given to those Aboriginal and Torres Strait Islander job seekers not living in the major population centres to recognise the small community social dynamic, outlined below. In effect, Aboriginal and Torres Strait Islander job seekers will receive either 11 or 13 points, depending on their geographic location. Over 90 per cent of current indigenous job seekers who have had a JSCI have been given an Intensive Assistance funding level.

The employment disadvantage faced by Aboriginal and Torres Strait Islander people is related to factors including:

- *the small community social dynamic* - where anonymity is not possible, and most residents know much about other residents. In these circumstances, individuals in small communities can be regarded negatively by family and group association rather than considered on their own merits;
- *access to employment opportunities* - Aboriginal and Torres Strait Islander people are generally the most disadvantaged in the labour market. Any contraction in labour market opportunities may impact more heavily on Aboriginal and Torres Strait Islander people than other job seekers;
- standards of health - Aboriginal and Torres Strait Islander people have a considerably lower standard of general health compared with other Australians;
- cultural requirements - this includes factors such as observance of particular cultural occasions and practices and the need for absences from employment to attend. Such requirements may vary depending on the lifestyle of the client and may be of more significance to Aboriginal and Torres Strait Islander people living in traditional, semi-traditional or town camps;
- cross cultural norms - this concerns the way Aboriginal and Torres Strait Islander people relate to the broader community and vice versa and includes issues such as self importance, self esteem and motivation;
- socio-economic factors - factors identified which could contribute to the incidence of unemployment include incarceration, high levels of homelessness, lack of housing and sub-standard housing such as lack of running water, electricity and waste disposal;

- income support history - the history of income support provides a measure of the difficulty of securing and maintaining work. The family history of income support arrangements (ie generations of welfare dependency and the history of dependency) are considered useful indicators of disadvantage;
- educational attainment - this factor is under-reported by Aboriginal and Torres Strait Islander people. There is also a question about the adequacy of the self reporting system which records the job seeker's educational attainment;
- living a traditional, semi traditional or camp lifestyle - the barrier that might arise from not being in close contact with the regular labour market is especially prominent for this group.

The employment disadvantage of indigenous job seekers can also be reflected in other JSCI factors, such as 'Disability/Medical Condition', 'Disclosed Ex-Offenders', 'Stability of Residence', 'Duration of Unemployment', 'Recency of Work Experience', 'Educational Attainment' and 'Personal Factors'.

In 1999, the Department undertook a review of the JSCI. The main finding of the review was that the JSCI was successful in identifying the relative disadvantage of jobseekers and classifying jobseekers into various funding levels. The selection rates for indigenous jobseekers was compared with Australian Bureau of Statistics data for indigenous jobseekers – no major difference was observed. A higher proportion of indigenous jobseekers have not had a JSCI applied, compared to all job seekers. The Department is working with Centrelink to improve the rate of application.

8. Evaluation of Job Network

The first stage of the evaluation of Job Network was released in May 2000. This focusses on implementation, early market experience, quality of service and access to services. Overall, stage one of the evaluation found that Job Network was implemented well and appears to be operating successfully. This was achieved in the context of large-scale changes to the provision of employment services.

In qualitative interviews with indigenous Australians who participate in Intensive Assistance some concerns were raised about the quality and type of assistance provided to them. Building on experience in the first contract period, a number of changes have been made to improve services for indigenous people in Job Network for the second contract period that commenced in February 2000. These include;

- more sites and better coverage across labour market regions, including regional, rural and remote Australia, with about 2100 sites, an increase of about 50 per cent over ESC 1. The number of sites outside capital cities has nearly doubled from about 600 to about 1100;
- greater accountability in the delivery of Intensive Assistance services;
- the provision of specialist Intensive Assistance services from 113 sites to exclusively help groups such as Aboriginal peoples and Torres Strait Islanders and people with disabilities. Many other providers also have experience in helping these groups of job seekers;
- price competition for Intensive Assistance so that prices reflect job seeker need and labour market circumstances, while maintaining an emphasis on quality through a minimum floor price;

- a strong focus on service quality with past performance and service strategies being given greater emphasis over price in the selection of JNMs;
- improved access for CDEP participants;
- tenderers in areas of significant indigenous population were asked to include indigenous servicing strategies in their bids;
- an improved standard of Intensive Assistance performance, with providers selected for ESC 2 averaging 25 per cent higher than the overall average in ESC 1.

In addition, in the 1999-2000 Business Partnership Agreement with DEWRSB and Centrelink a target of 6.2% has been set for commencement of indigenous people in Intensive Assistance. The national target is translated to Area level in a way that reflects the volume of places available for Intensive Assistance.

Work for the Dole

Work for the Dole gives unemployed people the chance to be involved in a work environment and to develop positive work habits through participation in community supported projects. The initiative is based on the principle of Mutual Obligation and the Government is providing nearly \$139 million for the period January 2000 to June 2001, to assist over 65,000 unemployed people to gain valuable work experience.

The Work for the Dole programme is targeted at:

- 18-19 years old Year 12 school leavers who have been receiving the full rate of Youth Allowance as a job seeker for three months;
- 18 to 24 years old who have been receiving the full rate of Youth/Newstart Allowance for six months or more; and
- 25-34 years old who have been receiving the full rate of Newstart Allowance for 12 months or more.

In addition, job seekers aged 18 and over, who have been in receipt of Youth/Newstart Allowance for six months or more can volunteer to participate in Work for the Dole.

Community Work Coordinators have been appointed to manage Work for the Dole in local communities. Community Work Coordinators are required to develop and make available work experience opportunities and activities for eligible job seekers in the Employment Service Areas and Labour Market Regions for which they have been contracted.

Funding and allocation of places

Funding for Work for the Dole is provided according to the number of places allocated to each of the 137 Employment Service Areas (ESAs) across 19 Labour Market Regions (LMRs). Places are allocated on the basis of:

- number of eligible job seekers registered with Centrelink, resident in the ESA;
- excluding the number of eligible job seekers eligible for Intensive Assistance services provided by Job Network; and
- excluding the number of eligible job seekers expected to participate in other Mutual Obligation activities.

Indigenous Participation

Organisations that tendered to become Community Work Coordinators in Employment Service Areas in which five per cent or more of eligible job seekers are Aboriginal and Torres Strait Islander (ATSI) peoples were required to demonstrate their capacity to help and to communicate effectively with job seekers from these client groups by providing specific strategies in their tender. For ATSI peoples these strategies may have included links to local or regional Indigenous organisations, capacity for outreach activity or field visits and communication or public awareness strategies. The strategies should also have outlined the tenderer's expertise in dealing with Indigenous peoples.

The Work for the Dole programme is not specifically targeted at Indigenous peoples, however, Indigenous job seekers have the same opportunity to participate as other Australians. 5% of participants in the Work for the Dole Pilot projects, commenced in November 1998, identified as Aboriginal or Torres Strait Islander (ATSI), compared to 4.4% of Centrelink registrants were Indigenous peoples as at 30 April 1999. At this stage there has not been any ongoing analysis of Indigenous peoples participation in Work for the Dole.

Work for the Dole operates along side the Community Development Employment Programme (CDEP). CDEP provides Indigenous Australians with the opportunity to work for their communities rather than receive unemployment benefits. CDEP is a successful programme that has proved itself to be a useful and productive working alternative for Indigenous job seekers, particularly in remote communities where there are virtually no job opportunities. Job seekers participating in CDEP are not eligible to participate in Work for the Dole.

Area Consultative Committees

Area Consultative Committees (ACCs) have been requested to give increased priority to indigenous employment issues in their region. Over time, ACCs have increased the extent of indigenous membership on their committees. Many ACCs have created sub-committees to focus specifically on developing solutions to indigenous disadvantage in their region. The department is currently working with ATSIC to improve the Commission's membership on ACCs.

A series of activities is underway to assist ACCs in promoting the Indigenous Employment Policy (IEP) to private sector employers and indigenous job-seekers in their local areas. In addition, DEWR's network of more than 40 indigenous employment officers is working with ACCs to address indigenous employment issues.

ACCs are extremely well placed to raise awareness of the labour market issues affecting indigenous Australians and promote the IEP, particularly through their ability to draw together and work cooperatively at the community level with Job Network Members, Centrelink, local employers and Indigenous Organisations. ACCs can provide a vital link in their communities by promoting the IEP to local private sector employers and encouraging indigenous job-seekers to consider employment in the private sector.

Each ACC has received an Indigenous Employment Information Kit containing information on indigenous employment issues; national indigenous data and local labour market profiles and data.

ACCs have been given the opportunity to apply for IEP funds to undertake specific marketing of the IEP to employers and indigenous jobseekers in their region. ACCs have also been invited to apply for funds to engage a facilitator to assist in creating sustainable links between local indigenous communities and employers.

Regional Assistance Programme

The Regional Assistance Programme (RAP) operates across all regions in Australia – metropolitan, remote, rural and regional. Projects are identified by the local community to suit and respond to local community needs.

RAP is supported by the network of Area Consultative Committees (ACCs) around Australia. Submissions for funding under RAP are initially considered by the relevant ACC and, if the proposal supports the objectives of the ACC's strategic regional plan, the ACC endorses the proposal and forwards it to DEWRSB for assessment for funding. RAP funding will not be approved for a proposal unless it has been endorsed by the relevant ACC and is consistent with the RAP guidelines.

ACCs work with their communities in the development of their strategic regional plan to ensure that community issues are recognised, possible solutions are outlined and regional priorities are reflected.

Indigenous issues are incorporated into the strategic regional plans as identified through consultation by ACCs with communities. RAP proposals that respond to the regional priorities identified in the plan are endorsed by the ACC as being consistent with their strategic regional plan.

In the three RAP project rounds approved to date in the financial year 1999-2000, approximately 9% of projects funded have an indigenous focus. A list of these projects is attached. This represents approximately \$1.4million in RAP funding out of a total \$16.1 million approved funding to date.

ATTACHMENT B

Job Network Enrolments* as at January 2000

Labour Market Region	Indigenous	Total	Indigenous as a % of Total
Adelaide	846	77,511	1.1%
Australian Capital Territory	226	16,108	1.4%
Balance of WA	2,092	9,902	21.1%
Brisbane City	1,312	71,395	1.8%
Central Queensland	1,557	24,333	6.4%
Darling Downs	707	14,771	4.8%
East Melbourne	312	86,306	0.4%
Geelong	131	24,214	0.5%
Gippsland	191	15,469	1.2%
Hobart and Southern Tasmania	453	18,719	2.4%
Hunter and North Coast	2,433	96,913	2.5%
Illawarra and South East NSW	1,181	42,073	2.8%
Inner Sydney	653	23,177	2.8%
Moreton	1,521	87,208	1.7%
North Sydney and Central Coast	291	28,828	1.0%
Northern and Western SA	608	12,427	4.9%
Northern Queensland	3,930	29,013	13.5%
Northern Tasmania and Mersey-Lyell	626	21,358	2.9%
Northern Territory	3,868	12,255	31.6%
Perth	1,509	59,391	2.5%
Riverina	1,079	33,818	3.2%
South West Sydney	616	60,032	1.0%
Southern and Eastern SA	218	13,303	1.6%
Southern WA	398	15,905	2.5%
Victorian Central Highlands	398	33,174	1.2%
West and Inner Melbourne	214	65,577	0.3%
Western NSW	4,017	34,482	11.6%
Western Sydney	831	41,602	2.0%
Wide Bay-Burnett	595	25,072	2.4%
Total	32,870	1,097,229	3.0%

(a) Note that job seekers can be enrolled with more than one Job Network member at any one point in time.

(b) These are the 29 Labour Market Regions used in the first Employment Services Contract (1 May 1998 to 28 February 2000).

ATTACHMENT B

Job Matching total placements for 1998/99 financial year (1 July 1998 to 30 June 1999)

Labour Market Region ^(a)	Total Placements		
	Indigenous	Total	Indigenous as a % of Total
Adelaide	182	19688	0.9%
Australian Capital Territory	51	4351	1.2%
Balance of WA	327	4348	7.5%
Brisbane City	540	27403	2.0%
Central Queensland	485	10199	4.8%
Darling Downs	258	5616	4.6%
East Melbourne	106	28485	0.4%
Geelong	28	6174	0.5%
Gippsland	31	4436	0.7%
Hobart and Southern Tasmania	128	3479	3.7%
Hunter and North Coast	261	15526	1.7%
Illawarra and South East NSW	203	9444	2.1%
Inner Sydney	200	10559	1.9%
Moreton	360	21676	1.7%
North Sydney and Central Coast	79	9416	0.8%
Northern and Western SA	93	3143	3.0%
Northern Queensland	1,023	10995	9.3%
Northern Tasmania and Mersey-Lyell	167	4510	3.7%
Northern Territory	471	4291	11.0%
Perth	252	17877	1.4%
Riverina	268	12214	2.2%
South West Sydney	144	14031	1.0%
Southern and Eastern SA	78	5794	1.3%
Southern WA	81	4615	1.8%
Victorian Central Highlands	198	11674	1.7%
West and Inner Melbourne	78	21156	0.4%
Western NSW	995	12940	7.7%
Western Sydney	190	9831	1.9%
Wide Bay-Burnett	117	7129	1.6%
Total	7,394	321,000	2.3%

(a) These are the 29 Labour Market Regions used in the first Employment Services Contract (1 May 1998 to 28 February 2000).

ATTACHMENT B

Job Search Training commencements for 1998/99 financial year (1 July 1998 to 30 June 1999)

Labour Market Region ^(a)	Commencements		
	Indigenous	Total	Indigenous as a % of Total
Adelaide	9	3,456	0.3%
Australian Capital Territory	4	917	0.4%
Balance of WA	7	433	1.6%
Brisbane City	19	3,615	0.5%
Central Queensland	9	889	1.0%
Darling Downs	4	510	0.8%
East Melbourne	3	5,378	0.1%
Geelong	4	1,315	0.3%
Gippsland	2	519	0.4%
Hobart and Southern Tasmania	9	751	1.2%
Hunter and North Coast	25	3,371	0.7%
Illawarra and South East NSW	16	2,016	0.8%
Inner Sydney	11	2,547	0.4%
Moreton	27	4,586	0.6%
North Sydney and Central Coast	7	1,482	0.5%
Northern and Western SA	2	546	0.4%
Northern Queensland	34	1,507	2.3%
Northern Tasmania and Mersey-Lyell	6	764	0.8%
Northern Territory	27	551	4.9%
Perth	26	3,408	0.8%
Riverina	7	1,705	0.4%
South West Sydney	19	4,145	0.5%
Southern and Eastern SA	1	641	0.2%
Southern WA	6	606	1.0%
Victorian Central Highlands	5	1,266	0.4%
West and Inner Melbourne	3	2,992	0.1%
Western NSW	13	1,149	1.1%
Western Sydney	13	2,435	0.5%
Wide Bay-Burnett	2	922	0.2%
Total	320	54,422	0.6%

(a) These are the 29 Labour Market Regions used in the first Employment Services Contract (1 May 1998 to 28 February 2000).

ATTACHMENT B

Intensive Assistance commencements for 1998/99 financial year (1 July 1998 to 30 June 1999)

Labour Market Region ^(a)	Commencements		
	Indigenous	Total	Indigenous as a % of Total
Adelaide	406	19,836	2.0%
Australian Capital Territory	104	3,402	3.1%
Balance of WA	1,315	3,276	40.1%
Brisbane City	730	16,858	4.3%
Central Queensland	684	5,397	12.7%
Darling Downs	429	2,969	14.4%
East Melbourne	158	26,586	0.6%
Geelong	66	7,288	0.9%
Gippsland	137	4,509	3.0%
Hobart and Southern Tasmania	176	4,709	3.7%
Hunter and North Coast	1,059	23,529	4.5%
Illawarra and South East NSW	495	9,563	5.2%
Inner Sydney	296	10,315	2.9%
Moreton	895	21,866	4.1%
North Sydney and Central Coast	123	6,794	1.8%
Northern and Western SA	302	3,480	8.7%
Northern Queensland	2,060	6,985	29.5%
Northern Tasmania and Mersey-Lyell	276	5,068	5.4%
Northern Territory	1,603	3,252	49.3%
Perth	943	17,292	5.5%
Riverina	479	7,374	6.5%
South West Sydney	285	18,430	1.5%
Southern and Eastern SA	133	3,131	4.2%
Southern WA	253	3,417	7.4%
Victorian Central Highlands	269	7,835	3.4%
West and Inner Melbourne	106	21,214	0.5%
Western NSW	2,251	8,493	26.5%
Western Sydney	444	10,592	4.2%
Wide Bay-Burnett	248	6,113	4.1%
Total	16,725	289,573	5.8%

(a) These are the 29 Labour Market Regions used in the first Employment Services Contract (1 May 1998 to 28 February 2000).

ATTACHMENT B

Job Network - Estimated Expenditure on Indigenous Clients 1998/99

	Job Matching Placements	Job Search Training Commencements	Intensive Assistance Commencements
Indigenous	7,394	320	16,725
Total	321,000	54,422	289,573
Indigenous as a % of Total	2.3%	0.6%	5.8%
Indigenous Expenditure	\$1.19m	\$0.13m	\$31.93m