



Kelvin Thomson MP
Federal Member for Wills

***Opening of Aboriginal Employment Strategy Victorian Office
16 December 2009***

I acknowledge that we are standing on the traditional lands of the Wurunjeri people and I pay my respects to their elders past and present.

I welcome the opening of this important service in my electorate and would like to acknowledge the work of the Aboriginal Employment Strategy (AES) thus far in providing opportunities and jobs for Aboriginal people. The AES employment model recognises the significant barriers faced by Aboriginal people in gaining and sustaining employment and is backed with an impressive vision—"We are about work, not welfare."

According to the Productivity Commission's *Overcoming Indigenous Disadvantage: Key Indicators 2009* the AES has achieved over 3000 employment commencements with 1100 jobs achieved in 2007-08. Just as impressive are the 550 job placements from July 2008 to March 2009 during the most torrid time in the global downturn.

Further to this, in an area I regard as extremely important in light of our skills shortage, is the AES School Based Traineeship program. This program targets Aboriginal students in the last two years of high school, offering part time traineeships during their schooling so students will have jobs to move into after high school. In 2006, 10 of 12 Aboriginal students successfully completed the School Based Traineeship Program in the ANZ and Commonwealth banks in Sydney. In 2008, 141 Aboriginal School Based trainees commenced their two-year Certificate. At the 26 week milestone 135 participants were still engaged.

Last year 100,000 15-24 year olds dropped out of the workforce, a disturbing figure to say the least, and highlighting the importance of AES programs like this in stemming this haemorrhaging in employment. The Aboriginal School-Based Traineeship hosted by AES is a practical example of laying the foundations necessary to build employment numbers with trainees learning important skills and about the business world as they study for their Certificate II—Business Services. There isn't anything that can make a bigger difference to the lives of Indigenous Australians than a good education with a transition to meaningful employment. The Australian Government has recognised the importance of this program, having allocated more than \$830,000 in funding to it.

2.

The AES helps link businesses and the Aboriginal communities through Corporate Partners, companies and businesses who drive the local economies in towns throughout urban, regional and remote Australia. It offers a number of services including recruitment, a youth entrepreneurial program and business development. .

The AES also utilises the Australian Government's Structured Training and Employment Projects (STEP) program. This program provides flexible funding for packages of tailored assistance, including structured and accredited training, to help employers give long term jobs to Indigenous Australians. Assistance is tailored to business needs and can include approaches such as funding for apprenticeships and mentoring that can lead to lasting employment.

It is troubling that the Productivity Commission's *Overcoming Indigenous Disadvantage: Key Indicators 2009* report noted that in 2006 employment rates for Indigenous people were lower than for non-Indigenous people in all age groups, states and territories, and remoteness areas. Another key message from the report was that Indigenous people were less likely than non-Indigenous people to be employed as managers and administrators and professionals, and more likely to be employed as labourers, while 59.2 per cent of employed Indigenous people were employed full time, compared to 69.1 per cent of employed non-Indigenous people.

The report noted that the types of employment that people are engaged in may influence their wellbeing, by affecting remuneration and job satisfaction. Employment in certain industries and occupations could also provide an indication of people's skill levels and education. High levels of part time employment could mask high levels of underemployment, which has been found to be particularly common among Indigenous employees.

In December 2007 the Council of Australian Governments agreed to a new reform agenda across a broad range of issues, including Indigenous reform. On the latter COAG agreed to six 'Closing the Gap targets' as the focal point for its Indigenous reform agenda which included closing the gap in employment outcomes between Indigenous and non-Indigenous people in a decade. I welcome this commitment and acknowledge some of the reforms the Australian Government has undertaken to facilitate greater employment opportunities for Indigenous Australians.

Significant reforms to Indigenous employment services commenced on July 1 to ensure more Indigenous Australians have the skills needed to get and keep a job. The Australian Government will invest an additional \$202 million to deliver greater job opportunities for Indigenous Australians through the reformed Community Development Employment Projects (CDEP) Program, Community Support Service and Indigenous Employment Program (IEP). The reforms are a key to making progress on the Government's target of halving the gap between Indigenous and non-Indigenous Australians within a decade.

Under the IEP reforms, services will be more responsive to the specific needs of Indigenous job seekers, Indigenous businesses and employers. Under the CDEP reforms 63 organisations will deliver improved work-readiness services, including

3.

through up to 3,000 on-the-job work experience placements. The changes to CDEP will improve job readiness of Indigenous Australians and support community development. Community development will be boosted, with local priority projects supported, and resources provided for community development workers and local engagement officers.

Up to 2000 jobs are being created from previous CDEP-funded positions in government service delivery, and these will attract benefits, including access to superannuation, training and professional development. In addition, the Government is creating 400 new traineeships across government service sectors and 60 full-time additional land and sea management positions in remote communities.

These major reforms to employment services will help Indigenous people move into jobs with proper wages and conditions. The Government aims to equip employees with the skills and knowledge that will support sustainable employment for Indigenous people, with a new focus on assistance to small and medium enterprises. IEP will prepare Indigenous Australians to take up employment opportunities and improve their skills, and will support Indigenous people to start and expand enterprises.

Another significant part of the CDEP/IEP reform package is the creation of a new network of 87 Indigenous Community Support Service providers, at a cost of \$60.2 million over four years. The Community Support Service is being established in localities with significant Indigenous populations where CDEP has ceased. These include capital cities, major regional centres and some smaller regional communities.

The new providers will create links and make referrals to a range of mainstream or Indigenous-specific services, in areas such as welfare and social support, early childhood, education, training, employment, financial management, housing, health and legal services. They will also help people deal with issues including family violence and drug and alcohol abuse. This initiative will enhance social inclusion and community cohesion and assist in closing the gap in access to services. Social inclusion is a basic prerequisite for economic participation.

It is essential to closing the gap that Indigenous disadvantage in employment is adequately addressed. A job contributes strongly to personal, social and economic development. A job helps define who you are as an individual, building confidence and self-esteem, and is also a part of the glue that keeps communities and families together.

As a government we are determined to ensure Indigenous Australians are transitioned from the welfare trap. I believe this transition constitutes an essential step towards genuine reconciliation for Indigenous Australians. To draw on the words of Paul Keating's 1992 Redfern address:

"we cannot confidently say that we have succeeded as we would like to have succeeded if we have not managed to extend opportunity and care, dignity and hope to the indigenous people of Australia - the Aboriginal and Torres Strait Island people.

4.

This is a fundamental test of our social goals and our national will: our ability to say to ourselves and the rest of the world that Australia is a first rate social democracy, that we are what we should be - truly the land of the fair go and the better chance.”

Helping people get a job is a central task in fighting poverty and social disadvantage. The Australian Government has provided ongoing support to the AES for more than six years as you stand at the coal face providing real solutions to indigenous disadvantage. I congratulate you on this new office and wish you well in your ongoing efforts at making a meaningful difference to the lives of Indigenous Australians.