

BOOSTING INDIGENOUS EMPLOYMENT AND ECONOMIC DEVELOPMENT

Statement of Intent

The Australian and Northern Territory Governments will take a collaborative approach to working with Indigenous people to boost long-term employment and economic development opportunities in urban, rural and remote areas of the Territory. The Governments' key focus will be working with Indigenous communities and business groups to: identify sustainable local job opportunities in industry, small business, community and government sectors; and provide training, skills development and job placement assistance to maximize the effective employment of local people in these positions. The Governments will also work collaboratively on welfare reform measures, including those associated with supporting improved Indigenous employment and economic development outcomes.

Background

Consistent with the *Overarching Agreement*, the Northern Territory and Australian Governments have identified increasing sustainable Indigenous employment and economic development in the Territory as a key priority area. Over the last 12 months, both Governments have made policy announcements, including on Indigenous economic development, that indicate their intention to significantly increase their efforts, share responsibility with Indigenous communities for making progress and set rigorous performance targets for improving employment and economic development outcomes over the next five years. These strategies emphasise the need to identify tailored pathways to employment for individuals and for communities.

It is recognised that constraints to Indigenous employment arise from low educational attainment levels, particularly in literacy and numeracy, high levels of ill health, overcrowded housing and the limited availability of employment in remote areas. The Governments are committed to working in current and future Schedules under the *Overarching Agreement* to address these barriers to sustainable Indigenous employment and economic development.

Most importantly, a parallel process of negotiation has commenced on the development of a schedule on *Improving Indigenous Education Outcomes*. This will require Australian and Northern Territory Government education agencies and Indigenous communities to work together more effectively to improve education outcomes for Indigenous students, particularly in remote areas of the Territory. Significantly improving the education levels of Indigenous Territorians is vital to improving employment and economic development outcomes in the longer-term.

The *Boosting Indigenous Employment and Economic Development Schedule* provides a framework to support specific schedules on government assistance in building Indigenous employment and business activities in key industry sectors, for example Schedule 2.2 on Strengthening and Sustaining the Indigenous Arts Sector. The Governments recognise that industries can benefit from tailored approaches to boosting Indigenous employment and economic development.

Issues

Under this Schedule the parties agree that both governments will:

- work collaboratively and in partnership with Indigenous communities and industry groups to identify sustainable local employment and economic development opportunities on a region by region and industry by industry basis across the Territory. The Northern Territory Government's Indigenous Economic Development Strategy identifies key industry sectors across the Territory and will form the initial basis for this work. Similarly, the Australian Government has identified target industry sectors and regions and will utilise the range of both mainstream and Indigenous-specific employment programmes and services to achieve improved Indigenous employment outcomes. The current audit of local employment opportunities commissioned by the Department of Employment and Workplace Relations and being undertaken by the Local Government Association of the Northern Territory will also form a key component of this work;
- focus on strengthening Indigenous employment and economic development linked to existing industries and opportunities in the Territory. The Governments will also work to identify emerging industries, that may lead to sustainable Indigenous economic development opportunities over time;
- recognise that welfare reform initiatives associated with improving Indigenous employment and economic development outcomes, can have a very significant impact on Northern Territory Indigenous communities. In light of these impacts, the roll-out of welfare reforms need to be carefully considered and, where possible, the Australian Government will advise the Northern Territory Government and seek input into reform proposals;
- maximise the effective employment of Indigenous people in the community services, essential services, natural resource management, construction and government sectors either as government employees directly or through fee-for-service contracts with the Australian and Northern Territory Governments;

- collaborate on effective reform of the Community Development Employment Projects (CDEP) programme and the proposed lifting of Remote Area Exemptions on a region by region basis, recognising the need to ensure these reforms are coupled with the identification of realistic employment opportunities and community activities in each region and appropriate training, education and other services linked to people's individual circumstances;
- recognise their shared commitment to CDEP reform and the need to work closely together on developing a considered approach to government hosted CDEP positions. The Governments will examine options for taking a joint approach to establishing arrangements for assisting, where practicable, people in CDEP positions currently hosted in Australian and Northern Territory Government funded agencies make the transition to gaining unsubsidised employment in these agencies or in other organisations, including through the provision of training;
- recognise that to achieve better Indigenous employment and economic development outcomes the governments need to work with the delivery organisations in Indigenous communities, many of whom are local government councils, to improve their governance and organisational capacity, including their structures, business systems and human resources. The Governments agree to work together to ensure CDEP reforms complement the development of Regional Authorities in the Territory.
- work with communities and organisations to develop and support community leadership to drive changes in behaviours and attitudes to improve employment and economic development outcomes.
- increase their efforts in creating strong pathways for Indigenous school and VET students into further study and/or sustainable employment in their communities. This will include examining options for active case management of Indigenous Year 10 and 12 students leaving school to pursue employment or further educational opportunities throughout the Territory;
- appoint jointly funded Economic Development Officers to assist Indigenous Australians identify sustainable economic development opportunities and facilitate access to tailored packages that pull together assistance from a range of Australian and Northern Territory Government Indigenous and mainstream small business development and support services; and

- agree, over the longer-term, to streamline and rationalise the roles of both levels of government in providing small business development and support services and make it easier for Indigenous Territorians to access mainstream programs by reducing overlap and administration. It is the intent of both parties that a working group of representatives from the Northern Territory and Australian Government departments responsible for Indigenous small business support programs, the Northern Territory Office of Indigenous Policy and the Australian Government Office of Indigenous Policy Coordination complete this work before 1 January 2007.

Funding Arrangements

The parties agree that the funding arrangements will initially include:

- a Memorandum of Understanding to support jointly funded Economic Development Officers in host organisations across four regions throughout the Northern Territory.

Coordination

The parties agree that Australian and Northern Territory Government agencies will effectively consult each other on major policy decisions in the area of Indigenous Employment and Economic Development in the Territory, including related welfare reform measures. Specifically, the coordination arrangements will include:

- the placement of joint Economic Development Officers to work collaboratively on the ground with other relevant Northern Territory and Australian Government officers, including in Indigenous Coordination Centres. The parties will develop an agreed model for: funding these positions; identifying pools of expertise from which to appoint Economic Development Officers; developing clear duty statements; and identifying appropriate support structures for these Officers within the Northern Territory and Australian Government public services;
- establishing a Steering Group of relevant agencies, including the Australian Government Department of Employment and Workplace Relations, Australian Government Office of Indigenous Policy Coordination, Northern Territory Department of Business, Economic and Regional Development, Northern Territory Office of Indigenous Policy and Indigenous Business Australia to meet bi-monthly and monitor the implementation of this Schedule; and
- continued Australian and Northern Territory Government representation on the Northern Territory Indigenous Economic Development Taskforce, which brings together key government agencies, Indigenous organisations and private sector representation.

Performance Indicators

The parties agree to:

- share Indigenous employment and economic activity data, including regional breakdowns and non-Indigenous comparative data, and continue to develop better methods for measuring these activities;
- report on the numbers of Indigenous school students successfully making the transition from school to sustainable work, further study or training;
- report on the number of new jobs created for Indigenous and non-Indigenous Territorians on a regional basis each year, including, where appropriate, through the conversion of CDEP jobs into full paid employment;
- report on a regional basis: the number of Indigenous business opportunities and business proposals examined for viability by the Economic Development Officers; the numbers of Indigenous businesses established in the Northern Territory; and the number of these Indigenous businesses that demonstrate sustainability; and
- use indicators in the *Overcoming Indigenous Disadvantage Report* linked to the Schedule 1(4) priority area.