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Today is Chile National Day

## Indigenous programs: Business and employment

The Australian Government is committed to developing business and employment opportunities for Indigenous people to increase their economic independence. The Government places strong emphasis on working with employers to generate job opportunities for Indigenous people in the private sector and supporting the growth of Indigenous small business.

There is a strong belief that economic independence is essential to increasing the confidence, wealth, socio-economic status and community empowerment of Indigenous people. About 3000 Indigenous people are currently running their own businesses in agriculture, tourism, arts, retailing, transport, building and maintenance, and services to mines and farms. Nevertheless, although employment opportunities have improved in recent years, currently Indigenous unemployment is seen as unacceptably high.

The Government has implemented business and employment programs aimed at overcoming the disadvantages experienced by many Indigenous people, strengthening partnerships between Indigenous and non-Indigenous businesses and providing financial assistance. This will result in reduced unemployment among Indigenous people by implementing programs aimed at increasing business and employment opportunities, increasing job skills, educational and vocational training and encouraging job readiness through community work.

## Indigenous Business Australia

Recognising the importance of business development for economic independence, the Government established Indigenous Business Australia (IBA) in April 2001. IBA has the aim of forging partnerships between Indigenous people and corporate Australia and operates with a capital base of approximately A\$ 600 million. It invests these funds in a range of industries such as mining and tourism, usually through joint ventures with industry partners and Indigenous communities.

In March 2005 IBA was handed responsibility for two Indigenous-specific programs - Home Ownership and Business Development. These had previously been run by Aboriginal and Torres Strait Islander Services (ATSIS) and by the Department of Employment and Workplace Relations (DEWR). The addition of HOP and BDP makes IBA a key platform in the Government's wider Indigenous program.

Since it was established in 1975 under the old Aboriginal Loans Commission, the Home

Ownership Program has helped almost 12,000 Indigenous families to buy their own homes. HOP was originally set up because regular financial markets do not provide the necessary opportunities for Indigenous Australians to obtain home loan finance. In addition, the level of aftercare inherent in the program effectively caused conventional financial institutions to absent themselves from this particular market.

The Home Ownership Program approved 502 new loans in the 2005 financial year with a total value of A\$94.1 million. In addition the total loan portfolio grew to A\$366.1 million which is a record.

IBA's Business Development Program provides financial assistance and business support which includes advice on financial planning and management, marketing, training, mentoring and facilitation of access to other public and private sector services. In 2005 the BDP budget allocation was A\$27.7 million.

The program approved 40 loans whose value was more than A\$5.5 million of which 21 have already progressed to establishment or settlement.

## Community Development Employment Projects

Operating since 1977, the Community Development Employment Projects (CDEP) scheme is now the Australian Government's largest Indigenous program with funding of approximately A\$490 million per year. The scheme provides for more than 36 000 participant places through around 280 community organisations across Australia. Participants in the scheme subsidise two thirds of the scheme's costs by voluntarily working for their Income Support Benefits. CDEP provides work and community development, assists with employment creation and the establishment of successful businesses and assists Indigenous Australians to gain training and skills which are necessary for employment in the mainstream labour market.

CDEP provides fulfilling opportunities to Aboriginal and Torres Strait Islander people in those areas of Australia where jobs are scarce. In areas with good job opportunities, recent reforms to CDEP have meant that CDEP organisations can take on the role of Indigenous Employment Centres, linking Aboriginal and Torres Strait Islander people with jobs.

## Indigenous Employment Policy

The Indigenous Employment Policy (IEP) was implemented in July 1999 in recognition of the particular disadvantage of Indigenous Australians in the labour market. The aim of the policy is to generate more employment opportunities for Australia's Indigenous peoples.

The major components of the IEP are the Indigenous Employment Programme, initiatives to stimulate Indigenous economic activity and measures to improve employment services and outcomes for Indigenous job seekers through Job Network and Indigenous Employment Centres. The main components of the IEP are described below.

*Structured Training and Employment Projects* - flexible financial assistance for projects that offer structured training leading to lasting employment for Indigenous job seekers. Assistance is tailored to the needs of individual employers and may, for example,

include funding for the development of Indigenous employment strategies, mentoring support, training and wage subsidies.

*Corporate Leaders for Indigenous Employment Project* - a partnership between individual companies and the Australian Government to encourage private sector companies to develop a strategic approach to generating more private sector jobs for Indigenous Australians.

*Wage Assistance* - helps Indigenous job seekers find long-term employment either through the Australian Job Network (see below), Indigenous Employment Centres or their own efforts, using a wage subsidy.

*National Indigenous Cadetship Project* - improves the professional employment prospects of Indigenous Australians by linking students and employers in an arrangement that involves full time study and work placements. Eligible study includes full time diploma, advanced diploma and undergraduate degree courses.

*Community Development Employment Placement Incentive* - provides a financial incentive to CDEP organisations for each participant who is placed in open employment and off CDEP payments.

*Indigenous Community Volunteers* - links skilled volunteers with communities that have asked for expert assistance in areas such as business, financial management and the trades. In addition to meeting the needs of these communities, ICV encourages skills transfer and the development of longer-term strategic relationships between the communities and the private sector.

### **Initiatives to stimulate Indigenous economic activity include :**

*Indigenous Self Employment Programme* - assists individuals to establish their own small business by providing business advice and support, financial literacy training and funding assistance. The loan assists with the non-wage set up costs of business for individuals who meet certain eligibility criteria.

*Indigenous Small Business Fund* - fosters the development of businesses owned, operated and managed by Indigenous people and promote sustained Indigenous employment opportunities. Assistance is available for individuals and Indigenous organisations for activities including feasibility studies, business planning, marketing and other facilitative projects.

*Indigenous Capital Assistance Scheme* - increases the level of employment of Indigenous Australians by improving the access of Indigenous businesses to commercial finance and culturally appropriate professional support and mentoring.

### **Measure to improve employment services and outcomes include :**

*Job Network* - a diverse network of private and community organisations contracted to find jobs for unemployed people, particularly the long-term unemployed.

Job Network is the main source of employment assistance to Indigenous people and special measures have been introduced to help Indigenous Australian secure employment. These include:

- specialist Indigenous providers offering services that cater specifically for their Indigenous clients and
- the requirement for Job Network and New Enterprise Incentive Scheme (NEIS) providers to have specific Indigenous servicing strategies in areas where the Indigenous population is 5% or more of the total population.

*Indigenous Employment Centres (IECs)* - provide assistance to participants in Indigenous operated CDEP to help them move into off-CDEP employment. IECs were introduced in recognition that many Indigenous Australians participating in CDEP are located in areas where there are off-CDEP job opportunities. IECs provide assistance tailored to the needs of each person. This assistance can include help to improve job search skills, training, work experience, help to find a job and to access support services such as the Job Network and Centrelink, and ongoing mentoring and support including after a participant has been placed in employment. The services provided by IECs complement the assistance available from Job Network - IEC participants can receive Job Network services at the same time as being in an IEC. There are 33 IECs operating nationally.

### **Indigenous Communities and the Mining Industry**

Recognising that the mining industry is uniquely placed to offer employment and business development opportunities to indigenous communities in remote areas, the Department of Industry, Tourism & Resources introduced the "Working in Partnership Program". With funding of A\$1.2 million over 4 years, the program aims to support and encourage the development of long term, mutually beneficial partnerships between miners and indigenous people in regional and remote areas. The establishment of enduring, cooperative partnerships can be a positive step for exploration and mining companies' in terms of their corporate reputation and their ability to source a locally trained workforce. These partnerships can also complement Government policies and programs aimed at supporting the aspirations of Indigenous communities to build community capacity and develop commercial enterprises.

More information about the program can be found at <http://www.industry.gov.au/indigenouspartnerships>

### **Indigenous tourism businesses**

Over the past ten years, the Australian Government has provided funding assistance to several Indigenous tourism enterprises and organisations through its regional tourism programs. ATSIIC had also funded numerous tourism ventures through its Business Development Program during this period.

- In December 2003, the Australian Government announced funding of A\$4 million over four years for an Indigenous Tourism Business Ready Program.

The Alice Springs based Aboriginal Art and Cultural Centre and the Cairns Tjapukai Aboriginal Cultural Park have won major international tourism awards. The Tjapukai Park employs nearly 100 staff, of whom 85 per cent are Indigenous. It is a partnership

between the long term employees, the Tjapukai speaking communities and several private business people, with the indigenous shareholders holding just over 50 per cent of the company.

## Further information

Minister for Families, Community Services and Indigenous Affairs - [www.facsia.gov.au/internet/Minister3.nsf](http://www.facsia.gov.au/internet/Minister3.nsf)

Indigenous Employment Policy - [www.workplace.gov.au](http://www.workplace.gov.au)

Centrelink - [www.centrelink.gov.au](http://www.centrelink.gov.au)

Department of Industry, Tourism and Resources - [www.tourism.gov.au](http://www.tourism.gov.au)

For further information about other aspects of contemporary Australia, go to [www.dfat.gov.au/geo/australia](http://www.dfat.gov.au/geo/australia)