



Australian Government
National Indigenous
Australians Agency



NIAA

NIAA submission to Senate Joint Select Committee on Northern Australia

Inquiry into Northern Australia Workforce Development

Submission lodged on 9 December 2022

Working with Aboriginal and Torres Strait Islander peoples



Introduction

The National Indigenous Australians Agency (NIAA) welcomes the opportunity to provide a submission to the Select Committee Inquiry into Workforce Development in Northern Australia. Further information about NIAA can be found on our website, www.niaa.gov.au. While our Submission focuses on issues and opportunities specific to NIAA's remit, we work across government to support the whole-of-government effort on economic and workforce outcomes in Northern Australia.

Better data needed to assist in capturing economic and business development opportunities in Northern Australia

Demographic and economic data on Northern Australia and the First Nations population in the North remains patchy. While the information can be reconstructed using existing ABS Census data, it is often not of sufficient detail. A comprehensive picture of the demographic and economic trends in Northern Australia, including those for First Nations Australians, is necessary to accurately measure and analyse the North's existing economic potential and forecast economic activity going forward.

This may require investment in boosting the resources available to the Australian Bureau of Statistics, the Office of Northern Australia, and other agencies with relevant responsibilities for data collection and analysis in Northern Australia.

Strong potential in key industries in Northern Australia

The North's economic potential includes building on established industries such as mining; diversification of agriculture and aquaculture; capitalising on cultural offerings and natural assets to grow tourism; local participation in the defence industry supply chain; capturing the potential of climate-related growth areas such as carbon abatement; and capitalising on the North's significant deposits of lithium and rare earth metals.

It is estimated that the agricultural potential of Northern Australia alone could generate over \$5.3 billion annually¹. In 2018-19, the total economic contribution of the First Nations agribusiness sector to Australia's economy was found to be only around \$85.4 million with 653 First Nations People being employed full time². We note this is currently a small fraction of Australia's overall agriculture sector.

Northern Australia cannot achieve its potential without the participation of all the people who live there, including First Nations people. In particular, we note that:

- First Nations people have yet to enjoy significant benefits or establish a leadership/driving role within the agriculture industry, despite significant land ownership and interest. This is despite traditional wisdom, customary practice and knowledge of land and water management being seen as increasingly important to maintain resilience and productivity.

1 Office of Northern Australia. (2021). Retrieved from [Office of Northern Australia | Department of Infrastructure, Transport, Regional Development, Communications and the Arts](#)

2 Agribusiness Factsheet (2022) - Indigenous Land and Sea Corporation (ILSC), accessed from [Agribusiness-Factsheet.pdf \(ilsc.gov.au\)](#)



- The minerals industry employs 18 per cent of First Nations men in remote areas and 10 per cent of all mining apprenticeships are filled by First Nations Australians³. While this is a much larger share than other industries, significant opportunities exist to increase this share further.
- There is a lack of affordable, secure and appropriate housing, particularly in Northern Australia. At the 2021 Census, only 43.4 per cent of First Nations people in the Northern Territory (NT) were appropriately housed, compared with 81.4 per cent of First Nations people nationally.
- First Nations peoples in Northern Australia, are less than half as likely as non-Indigenous people to be employed; those in the labour force are around three times more likely to be unable to find work and are twice as likely to have disengaged from work entirely⁴.
- Research suggests that First Nations peoples' tertiary and vocational educational attainment remains lower than for non-indigenous Australians,⁵ due to the remoteness of many communities (lack of training facilities) and limited access to culturally appropriate training.

Impediments to building the social and economic infrastructure

Northern Australia's vast landmass, dispersed population and the temporary workforce in key productive industries means it is difficult to attract, actively recruit and establish permanent workforce and population base in the region. These challenges are further compounded by:

- Supply chains, infrastructure and service delivery being costly or limited and a much smaller, less-diversified economic base, leaving the region susceptible and less resilient to resource boom and bust cycles.
- Intense competition for skilled labour and high turnover rates, especially in the mining sector.

Creating clear employment and business pathways for First Nations people could help alleviate workforce challenges in Northern Australia

First Nations people with a permanent base in the region are an attractive alternative to temporary workers. Yet, First Nations Australians continue to be under-represented in the Australian workforce including in Northern Australia.

While it is difficult to get an up-to-date picture of First Nations population, a 2014-15 survey found that First Nations' job seekers (especially First Nations women⁶) on average face more barriers to employment than non-Indigenous job seekers including lower educational attainment, limited access to transport, criminal convictions, or residence in outer regional, remote or very remote localities where the labour markets are thin and far from centres of economic activity.⁷

This is likely a result of an ***overall lack of clear employment and business pathways*** in key sectors in the region to meaningfully employ and upskill the resident First Nations population. Making these

³ Minerals Council of Australia (2021) - Mining integral to Indigenous jobs, skills and business, accessed from [MCA](#) website

⁴ Office of Northern Australia (2022), *Submission to the Employment White Paper* (not yet published)

⁵ Jobs and Skills Australia report: *First Nations People Workforce Analysis* (not yet publically released)

⁶ Gari Yala: Speak the Truth: Gendered Insights 2020 dataset: [Gari Yala \(Speak the Truth\): Gendered Insights | WGEA](#)

⁷ ABS (2017) [2014-15 National Aboriginal and Torres Strait Islander Social Survey](#)



opportunities attractive to First Nations people will require investment in skills and training – including micro-credentialing, transferable skills to exploit cross-industry linkages, and investment in First Nations curriculum and trainers that builds cultural capabilities in the broader population. Interaction between local employers and the remote employment services provider in a region to connect local job seekers to local job vacancies is another way to improve employment pathways for First Nations people in remote regions. Consultation on a new program to replace the Community Development Program (CDP) with a new program with real jobs will explore ways job seekers could be better connected to local jobs.

Access to culturally appropriate and on-the-job training is limited in Northern Australia due to remoteness of many communities and the lack of local training providers. There also is a need for additional work on aligning training to employment opportunities.

The First Nations ***business sector in Northern Australia (and elsewhere) also remains undercapitalised and demonstrates weaker linkages with the broader economy*** when compared to mainstream business sectors. Significant impediments remain, including comparatively thinner markets. These challenges are further compounded by the geographical and demographic factors identified above and lack of access to capital, intergenerational wealth transfer as well as a historical pattern of systemic racism.

The ***lack of data currently collected on First Nations businesses and economic activities*** more broadly has inhibited the development of fit-for-purpose policies and for securing private sector investment in First Nations economies, including in Northern Australia.

Investing in workforce development across a range of measures

The Australian Government is investing in broad measures to Close the Gap including through investment in health infrastructure, early childhood education, remote housing and community-led justice reinvestment initiatives, to divert young First Nations Australians from the criminal justice system and providing pathways to better education and employment.

The NIAA is actively involved in Government commitments which include:

- Improving job and business outcomes for First Nations businesses including through increasing opportunities under the Buy Australia Plan and the Indigenous Procurement Policy.
- Deploying the recently established Northern Territory Aboriginal Investment Corporation with access to \$680 million over three years, to invest in First Nation businesses, commercial projects and communities.
- Delivering funding of over \$1.4 billion from 2021-2028 under the Indigenous ranger programs, to assist First Nations peoples to manage and care for their land and sea.
- Developing an Indigenous Ranger Sector Strategy to build workforce and enterprise capability, and to amplify outcomes for First Nations people, organisations and communities.
- Support for First Nations students through the Indigenous Student Success Program (ISSP) and the Away from Base (AFB) program.

UNOFFICIAL



- ISSP is a flexible program that support students studying at universities. It allows universities to determine how to best support First Nations students, through scholarships, tutorial assistance, mentoring, safe cultural spaces and other support services. In 2022, around \$72.9 million is available to 40 universities, supporting over 21,000 First Nations students.
- The AFB Program assist higher education and training providers with the costs of meals, accommodation and travel to support First Nations student who study via mixed-mode or distance education who need to travel away from home for short periods to undertake their studies. In 2022, around \$18.4 million has been allocated to 19 providers, to assist around 3,000 First Nations students.
- Following consultation, replacing the Community Development Program, with a new program with real jobs, proper wages and decent conditions, including through developing proposals to ‘Trial Pathways to Real Jobs’, with trials commencing November 2022.
- Delivering additional targeted pilots under the October 2022 Budget to fund 200 real jobs. The separate ‘New Jobs Program Trial’ will allow a broader range of organisations to test approaches to inform the new program. Locations for pilots have not yet been determined.
- Providing affordable housing including in Northern Australia, through the establishment of the Housing Australia Future Fund with an aim to deliver 30,000 new social housing properties across Australia, including \$200 million for property and tenancy maintenance in remote First Nations communities.
- Extending for two years, to 2024-25, Indigenous Business Australia’s (IBA) under the \$150 million Regional Construction Stimulus measure to fund home loans to First Nations households in regional areas.
- Supporting Prescribed Bodies Corporate (PBCs) managing native title rights and interests, to ensure they are well place to realise their aspirations for land and waters. This includes supporting First Nations peoples with business and employment opportunities.
 - Given that a significant proportion of the land where native title has been determined is in Northern Australia, there are a range of economic opportunities that can provide jobs and skill development for native title holders. In 2022-2023, around \$12.4 million has been budgeted for operational funding for PBCs and \$15.27 million allocated for PBC capacity building projects.

