

Senate Standing Committee on Community Affairs

**QUESTIONS ON NOTICE
Supplementary Budget Estimates 2010-2011**

Outcome 4 - Employment & Participation Policy

DEEWR Question No.CA0003_11

Senator Boyce provided in writing.

INDIGENOUS EMPLOYMENT PROGRAM

With regard to the Indigenous Employment Program -

1. How are you measuring the success or otherwise of the reform to the program implemented on 1 July 2009?
2. How many people have accessed IEP services in the 12 months from 1 July 2009?
3. How does that compare to the preceding 12 months? Has there been any significant change in the number of people accessing indigenous employment services?
4. The expanded IEP was to include more support for employers, including pre-employment training and mentoring. Do you have any figures for the number of people who have accessed pre-employment training and mentoring services?
5. Which regional areas and which specific industries experiencing labour shortages have been targeted by the IEP?

Question 1

How are you measuring the success or otherwise of the reform to the program implemented on 1 July 2009?

Answer

The primary tool that DEEWR uses to measure employment outcomes is the Post-Program Monitoring (PPM) survey. This measures the three month post-assistance employment rate of persons who have participated in an IEP placement. The employment rate at 30 September 2010 was 60 per cent (for the 1 July 2009-30 June period). This is an early but strong indicator of success and it is expected to rise as the survey cycle is completed.

An evaluation of the reformed Indigenous Employment Program (IEP) recently commenced in line with the Evaluation Strategy for the IEP (2009-2014). This strategy was developed to assess the impact of the IEP on Indigenous Australians' employment outcomes and participation in economic activities and to determine if the IEP is achieving its objectives. This evaluation is expected to be finalised in the next two years.

Question 2

How many people have accessed IEP services in the 12 months from 1 July 2009?

Answer

Overall, between 1 July 2009 and 30 June 2010, there were 22 956 commencements in employment and training related activities under IEP.

Question 3

How does that compare to the preceding 12 months? Has there been any significant change

in the number of people accessing Indigenous employment services?

Answer

Between 1 July 2008 and 30 June 2009 19 438 individual Indigenous Australians commenced receiving assistance through the employment focussed elements of the IEP and there were 25 061 commencements in employment and training related activities. These figures exclude the Community Development Employment Projects (CDEP) Placement Incentive (CDEPPI) element of the program because DEEWR does not have numbers from 1 July 2009, when this element was transferred to the Department of Families Housing, Community Services and Indigenous Affairs. This means a comparison of CDEPPI data across these periods cannot be made.

This period coincides with the global economic downturn, the slowdown in business associated with the shutdown of the previous panel in the lead up to 30 June 2009, and the bedding down of the new IEP panels.

Question 4

The expanded IEP was to include more support for employers, including pre-employment training and mentoring. Do you have any figures for the number of people who have accessed pre-employment training and mentoring services?

Answer

There were 7 875 commencements into training and preparation activities and structured mentoring activities in the 2009-10 financial year -

- 7 142 commencements into training and preparation activities; and
- 733 commencements into structured mentoring activities.

These activities were undertaken by 7 710 individual Indigenous Australians.

These figures do not include -

- people who received mentoring support as part of an overall package of assistance they received through the IEP; or
- people who started receiving structured mentoring assistance prior to 1 July 2009 and continued to receive assistance after that date.

Question 5

Which regional areas and which specific industries experiencing labour shortages have been targeted by the IEP?

Answer

The IEP responds to the needs of employers and therefore funds projects across a range of regions and industries.

For example, the department currently has about 40 projects specifically providing support in those industries identified in the Department's National Skill Shortage Report, June 2010 -

- engineering professions
- health diagnostic and therapy professions
- nurses
- automotive trades
- construction trades
- food trades

The IEP also supports many more projects which are not specifically targeted to those sectors but which result in employment and training in them.

In 2009-10 it is estimated that 66 per cent of IEP funding was allocated to activities being delivered outside Melbourne, Sydney, Brisbane, Adelaide, Canberra and Perth.

Also, of the 579 IEP projects approved in 2009-10, 38 per cent are being delivered (partially or entirely) in remote areas.