

# Submission

to

Senate Employment, Workplace Relations and Education  
References Committee

## **Inquiry into indigenous training and employment outcomes**

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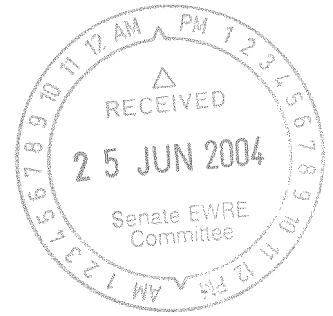
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# Australian Government

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## Department of Education, Science and Training

Submission to the Senate Employment, Workplace Relations and  
Education References Committee Inquiry into:

### **Impediments to Indigenous employment and measures to improve vocational training and employment outcomes for Indigenous people**

June 2004

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**EMPLOYMENT, WORKPLACE RELATIONS AND EDUCATION REFERENCES COMMITTEE—REFERENCES**

Senator George Campbell, pursuant to notice of motion not objected to as a formal motion, moved business of the Senate notice of motion no. 2—That the following matter be referred to the Employment, Workplace Relations and Education References Committee for inquiry and report by 25 November 2004:

Impediments to Indigenous employment and measures to improve vocational training and employment outcomes for Indigenous people, and, in particular:

(a) the effect of the Community Development Employment Projects (CDEP) scheme on the education and long-term employment outcomes of Indigenous people in rural, remote and urban areas;

(b) the appropriateness of the current framework for the funding and delivery of vocational education and training to meet the requirements of Indigenous communities and to prepare Indigenous people for employment, especially in rural and remote settings;

(c) the effectiveness of competency-based training models to deliver an appropriate level or mix of skills necessary for employment of Indigenous people, including the achievement of the necessary standards of literacy and numeracy;

(d) the effectiveness of Commonwealth, state and territory-based initiatives to engage more Indigenous people in training and to encourage higher level skill acquisition in skilled trades and professions, including health and teaching; and

(e) models for engaging industry and Indigenous communities in partnerships to develop long-term employment opportunities for Indigenous people—in infrastructure development through to the arts—and the limitations and opportunities these confer.

## **PREAMBLE**

### **The Policy Context**

The Department of Education, Science and Training (DEST) welcomes the opportunity to make this submission to the Senate Employment, Workplace Relations and Education References Committee Inquiry into Indigenous training and employment outcomes.

The Australian Government takes a national leadership role in education and training. The States and Territories have primary responsibility for the management and delivery of education and training in schools and vocational education and training, while the Australian Government is responsible for funding and policy making in the higher education sector.

Vocational Education and Training (VET) in Australia is essentially a cooperative approach between the Australian Government and States and Territories. The Australian Government is involved in VET through an agreed set of national

arrangements with States and Territories. The current mechanism for giving effect to this is the Australian National Training Authority (ANTA) Agreement, which sets out the roles and responsibilities for each party, including a major role for industry.

The Australian Government, State and Territory Ministers for VET meet as the ANTA Ministerial Council to decide on national policy issues and oversee ANTA and associated funding arrangements.

Under the national arrangements, States and Territories provide the majority of funding for VET (with the Australian Government contributing about one-third of total government funding) and they have responsibility for the administration and delivery of VET within their jurisdictions.

This involves responsibility for State-level planning, regulation of training providers and the apprenticeship and traineeship system, allocation of funds to individual providers, setting student fees and charges and managing the TAFE systems. States and Territories fund specific projects for Indigenous people.

In June 2000, Australian Government, State and Territory Ministers responsible for training agreed to a national strategy entitled *Partners in a Learning Culture* and a blueprint to implement the strategy in order to improve training outcomes for Aboriginal and Torres Strait Islander people. The blueprint is being monitored by the Australian Indigenous Training Advisory Council (AITAC), a national advisory body to ANTA.

As a result of the strategy, governments and training providers are being held more accountable for achieving successful outcomes, placing a greater emphasis on encouraging Indigenous Australians to complete VET and then to link them to employment. State and Territory training authorities are required to report annually in their planning processes on progress towards achieving the strategies outlined in the blueprint.

## **Funding Context**

The Australian Government provides supplementary funding for strategic intervention to accelerate outcomes for Indigenous Australians as it is a State and Territory responsibility to run schools or other educational institutions

From January 2005, the shape and direction of Indigenous education programmes will change significantly. These changes, along with the funding for Indigenous education for 2005 to 2008, were announced on April 5 this year. While the programmes will retain their names and broad objectives, they have been restructured in order to redirect funding to initiatives that have been demonstrated to work and to put a greater weighting of funding towards Indigenous students of greatest disadvantage – those in remote areas. Important conditions, including attendance benchmarks, will be attached to the funding for the restructured programmes.

The Australian Government will provide a record \$2.1 billion in funding for Indigenous Education to pre-schools, schools, tertiary education providers and Indigenous Students (including through ABSTUDY), over the next four years. The 2005-2008 funding represents an increase of \$351 million of 20.5% over the current quadrennium. These funds are distributed via specific programmes.

## **Indigenous Education Strategic Initiatives Programme (IESIP)**

The Indigenous Education Strategic Initiatives Programme (IESIP), provides supplementary per capita funding to education providers including those in the VET sector.

The Australian Government announced it will provide \$641.6 million over 2005-2008 under IESIP. Over \$513 million will be provided to continue supplementary assistance for Indigenous students, and \$128.1 million for on-going and new strategic projects to further accelerate the educational outcomes of Indigenous Australians.

This funding is an increase of 16 percent over the current quadrennium.

## **Indigenous Education Direct Assistance (IEDA) (total funding \$280.9 million)**

IEDA is the major direct assistance programme that provides targeted funds directly to Indigenous students, school-based Indigenous parent committees and education institutions to improve education outcomes. The IEDA programme is being significantly reshaped for 2005-2008. The reform is informed by a Review of the programme which occurred last year and by consultations with stakeholders across the country. The reshaped programme will consist of two elements: better targeted tuition assistance for Indigenous students; and the introduction of a whole of school intervention strategy.

The IEDA programme supports tutors under the Indigenous Tutorial Assistance Scheme (ITAS) to work with Indigenous students, and it supports students and parents at school and in training. Homework centres in communities that face a very difficult educational environment are also funded through IEDA.

## **Aboriginal and Torres Strait Islander Assistance Scheme (ABSTUDY) (an estimated \$20.3 million)**

This is a major component of the Australian Government's commitment to Indigenous equity. It assists Indigenous students at secondary and tertiary levels by providing income support and supplementary benefits to address the historical disadvantages they face in education.

## **Functions of Enterprise and Career Education (ECE) absorbed into DEST**

The Australian Government incorporated ECE functions during 2003 in order to bring a more integrated approach to support young people in their transition through school and from school to further education, training and employment.

DEST works closely to align the Australian Government funded programmes that we have available, such as the Jobs Pathway Programme (JPP), to support young Australians in making their transitions. This integrated approach will enable DEST to provide support in a more holistic manner.

This element of DEST work promotes the expansion of school to work links to enable young Australians to acquire vocational, enterprise and career education, knowledge and experience before they leave school. It works with the States and Territories, and other relevant stakeholders to provide structured work placement opportunities and vocational learning experience through the implementation of the Framework for Vocational Education in Schools and its network of Work Placement Coordinators.

### **Indigenous Support Fund (\$4 million)**

An increase of some \$2 million over the next financial year will enable institutions to invest further in initiatives designed to increase participation and success of more than 8,000 Indigenous students in higher education.

### **Indigenous VET Infrastructure (\$4 million)**

Subject to the approval of the Australian National Training Authority Ministerial Council. \$4 million will be allocated to improve vocational education and training for Indigenous people. Funds are used to support a range of projects such as purchase of mobile training units and equipment and construction centres.

### **Indigenous Higher Education Advisory Council (\$0.4 million)**

During the next twelve months, the Council will provide the Minister with advice to further improve outcomes for Indigenous students and staff in terms of their participation, progression, and retention in both study and employment in higher education.

### **Indigenous Staff Scholarship (\$0.2 million)**

Over the next twelve months, five national scholarships will be awarded to Indigenous staff in higher education to take one year of leave from their university employment to undertake full-time higher education study.

## **Issues**

### ***Leveraging mainstream programmes***

One of the issues identified by the Commonwealth Grants Commission in 2001 was the need for mainstream funds play a greater role in assisting Indigenous students. The changes to Indigenous education funding announced in April 2004, reflects this shift in accountability.

### ***Whole-of-Government approach***

The Whole of Government approach is about building sustainable communities. This will ensure that education and training effort is captured and translated into real enterprise and employment opportunities for Indigenous Australians.

This approach seeks to mobilise government agencies to improve service provision for Indigenous Australians. It will deliver the Australian Government's \$2.7 billion commitment to Indigenous specific funding.

Over time the object is to build a single shop front, Australian Government Indigenous coordination centres, through which all the services delivered by key departments – employment, education and training, community services, legal aid and health – will be accessed.

In getting to this position, agencies will draw upon the lessons learnt from the eight Council of Australian Government (COAG) trial sites across Australia.

The Australian Government education and training programmes will be enhanced under this model through the opening up of communication with other government agencies and with State and Territory systems and sectors.

## ***Attainment Levels***

While Indigenous participation in training is high, the level of attainment is below that of non-Indigenous participants. Training outcomes, such as employment, are poorer for Indigenous students. As a result of lower primary and secondary school achievement levels, Indigenous students enter the VET sector less equipped to enrol in the higher level VET courses.

In 2002, 58.1% of all Indigenous students entering the VET sector had completed Year 10 or lower. Lower literacy and numeracy levels are reflected in overall results and especially in the overall module/competencies and completion rates of Indigenous students in the VET sector. In 2002 about 26% of Indigenous students withdrew from units. This is twice the rate of non-indigenous students.

## ***Increasing participation in higher level training courses***

Indigenous students have been in the past less likely to be enrolled in higher level Australian Qualification Framework (AQF) certificates than non-Indigenous students. The *National Report to Parliament on Indigenous Education and Training 2002* data, however, suggests that this situation is changing with an 8.4% increase from 2001 in the numbers studying at AQF Certificate III level and above. The increasing diversity in the fields of study chosen by Indigenous students is also encouraging. Overall, there appears to be some positive changes in the field, level of qualification, and outcomes achieved by Indigenous students, although there is a long way to go before Indigenous outcomes achieve parity with those of Non-Indigenous students.

## ***Increased employment outcomes***

The attainment of appropriate qualifications and skills has a direct link to increasing employment opportunities and is therefore vital to the economic development of Indigenous Australians.

While the employment rates for Indigenous graduates are now very similar to those for non-Indigenous, there is a narrowed range of industries into which Indigenous graduates move, and they do so at levels below that of their non-Indigenous.

Twenty per cent (20%) of Indigenous students training in the VET sector enrol in mixed fields of study, compared to 9.1% non-Indigenous. This can be limiting because mixed field courses are largely focused on study, interpersonal and job-search skills. These courses are preparatory in their nature as distinct from courses that articulate into higher entry levels for employment.

The keys to unlocking employment opportunities for Indigenous Australians include building community capacity, strengthening enterprise and opportunity, and providing skill levels that make Indigenous graduates competitive in the mainstream Australian labour market.

The Australian Government influences this agenda by:

- Working collaboratively with other government agencies (eg DEWR)
- Strengthening the transitions programmes available to Indigenous students including structured workplace learning, Vocational Education and Training in schools, and the development of quality vocational education products and services (eg myFuture)

- Providing incentives for employers and brokers of apprentices and trainees.

## Summary

Improving employment outcomes for Indigenous people in VET, delivering training to remote communities, addressing the non-completion of VET courses, and increasing the number of Indigenous people undertaking higher level courses, remain some major challenges for VET providers.

Activities at the national level that seek to address these issues include the agreement by ANTA MINCO in June 2003 to focus on Indigenous people in *Shaping our Future: a national strategy for VET for 2004-2010*. One of the key objectives of the new strategy is "Indigenous Australians will have skills for viable jobs and their learning culture will be shared".

The new strategy will guide the direction for VET for the next six years and aim to ensure that VET will help increase employment and business development opportunities for Indigenous people and communities, providing them with a foundation for greater economic independence.

Indigenous participation in VET is higher than the national average, a particularly positive indicator. The Australian Government's strategy on Indigenous education will have flow on effects that further improve Indigenous participation in training. For example, the National Indigenous English Literacy and Numeracy Strategy (NIELNS) aims to improve the literacy and numeracy skills of Indigenous people. Literature suggests that targeting programs in the early years of schooling improves education outcomes including retention rates, Year 12 completions and the likelihood of participation in higher education. This means that in future, schools will better equip Indigenous students with the literacy and numeracy skills necessary to undertake training courses outside schools such as in the VET sector.

Through employment and training measures, the Australian Government is promoting the value of training to Indigenous Australians. Focusing attention on the specific training needs of Indigenous communities is important in maximising outcomes for Indigenous Australians. For example, flexible and appropriate training in rural and remote communities could improve employment opportunities. Targeting training to provide skills in building maintenance, administration, essential services, health and education could enable more Indigenous Australians to take up employment opportunities within their own communities.

All governments will continue to examine ways to improve the responsiveness of training programs to Indigenous Australians through processes such as the COAG framework.



## **Department of Education, Science and Training (DEST) Response to the Terms of Reference for this Inquiry:**

*(a) The effect of the Community Development Employment Projects (CDEP) scheme on the education and long-term employment outcomes of Indigenous people in rural, remote and urban areas;*

Whilst DEST does not manage CDEPs, DEST works in cooperation with DEWR and the Australian National Training Authority (ANTA) to support programmes that further education and training within CDEP, and articulate employment pathways beyond CDEP.

The Australian Government priorities are to improve school retention and attainment of a Year 12 or equivalent qualification by Indigenous students. Quality VET in Schools (VETiS) programs allow students to obtain Certificate I and II qualifications prior to entry into the labour force or further training.

This can play a significant role for those Indigenous students for whom the only option beyond school is CDEP. Quality VETiS will provide them with nationally recognised qualifications and can offer the opportunity for recognition of prior learning for CDEP participants undertaking training at higher AQF levels

Through the Whole-of-Government approach increasing the flexibility of CDEP operations has the potential to increase education and employment outcomes for Indigenous Australians.

*(b) the appropriateness of the current framework for the funding and delivery of vocational education and training to meet the requirements of Indigenous communities and to prepare Indigenous people for employment, especially in rural and remote settings;*

## **Overview**

Under the Australian Constitution, State and Territory governments are responsible for their own education and training systems, and have primary responsibility for funding the vocational education and training sector. The Australian Government supports the vocational education and training sector through the Australian National Training Authority (ANTA) Agreement between the Australian Government and State and Territory Ministers. State and Territory responsibilities for VET include regulation of training providers and the *New Apprenticeships system*, allocation of funds to individual providers and managing the Technical and Further Education system.

The Australian Government contributes a third of the total funding for VET (about \$1.13 billion annually) to the States and Territories through ANTA. Indigenous Australians are also assisted by, or benefit from, the following mainstream programmes that are the direct responsibility of the Australian Government:

- New Apprenticeships Incentives Programme;
- New Apprenticeships Centres;
- New Apprenticeship Access Programme (NAAP);
- Workplace English Language and Literacy (WELL);
- Language, Literacy and Numeracy (LL&N);
- Basic IT Enabling Skills (BITES) for older workers;
- VET Priority Places Programme;
- Group Training;
- Targeted Initiatives Programme (TIP).

## **National Framework**

### Partners in a Learning Culture

The Australian Government and State and Territory Ministers for VET meet as the ANTA Ministerial Council (MINCO) to decide on national policy issues and oversee ANTA and the associated funding arrangements. MINCO has agreed to a number of measures at the national level to improve opportunities for Indigenous Australians in VET. These include:

- the endorsement by MINCO in June 2000 to *Partners in a Learning Culture* Australia's National Aboriginal and Torres Strait Islander Strategy and Blueprint for vocational education and training 2000-2005. The Strategy and Blueprint commit the Australian and State and Territory Governments to actions at the national, State and Territory and local level, as well as collaborative action across government agencies, to improve VET outcomes for Indigenous Australians. The Blueprint recognised the widespread dispersal of Indigenous people, including in rural and remote communities. An Australian Indigenous Training Advisory Council (AITAC), made up of Australian and State and Territory government representatives as well as Indigenous groups was established to monitor the implementation of the Blueprint.

A review of the *Partners in a Learning Culture Blueprint* in 2003 found that progress was being made in relation to every area of the Blueprint, although this progress was

somewhat gradual, patchy and uneven. The review found for instance that quite good progress has been made towards securing Indigenous membership of key decision-making bodies. It also found that progress towards improved access and attainment of more industry relevant courses has been slow but steady.

Following the Review, AITAC has identified specific areas for priority attention including:

- Improving employment outcomes;
- Increasing training pathways, ensuring that Indigenous Australians achieve higher level qualifications and focusing on the availability of VET in Schools pathways, including in earlier years of schooling;
- Ensuring Training Packages, in terms of both product design and delivery, are inclusive and culturally appropriate;
- Improving access to recognition of prior learning and current competencies and increasing the number of Indigenous Australians with Certificate IV from the Training and Assessment Training Package;
- Developing flexible funding models that take account of individual client needs, including the unique issues associated with remote and rural delivery for Indigenous Australians and related cross-border issues; and
- Minimising reporting complexities and building strategic alliances.

Activity to progress these priority areas will further ensure that the current framework, funding and delivery arrangements, continues to meet the requirements of Indigenous communities, including those in rural and remote areas.

#### Shaping Our Future:

The inclusion of a specific key objective in the National Strategy for Vocational Education and Training 2004-2010 *Shaping our Future* states that: "Indigenous Australians to have skills for viable jobs and their learning culture will be shared". The Australian Government and States and Territories report annually on the objectives set out in *Shaping Our Future*.

States and Territories have also agreed to specific measures in an action plan based on the *National Strategy* to:

- drive forward implementation of the National Indigenous VET Strategy and Blueprint *Partners in a Learning Culture*.
- coordinate a coherent national research strategy which addresses the gaps in our knowledge and understanding as identified by the 2003 review of the Blueprint's progress;
- develop more strategic, long term and coordinated links between Community Development Employment Programs (CDEPs), the training system and sustainable mainstream employment and business outcomes through the "Pathways to Employment" national pilot; and
- link to the Council of Australian Government trial sites with Indigenous communities to ensure VET is considered as a core element in generating better outcomes for these communities.

## **Funding initiatives in support of Indigenous VET provision**

### 1. VET Infrastructure for Indigenous People Program

The VET Infrastructure program provides Australian Government sourced capital funding through ANTA to the States and Territories. A component of the Programme provides facilities for the delivery of VET to Indigenous people. The Programme has its basis in *Partners in a Learning Culture* and is focused on building the capacity of communities in rural and remote areas through:

- improved and/or additional training facilities and infrastructure;
- direct Indigenous community and industry involvement in the delivery of VET;
- increased student places for Indigenous Australians.

### 2. Average Government School Recurrent Costs (AGSRC)

The Australian Government contributes substantially through the schools and VET recurrent and capital funding arrangements. If States/Territories education systems increase their expenditure on VET in Schools, the Australian supplementation arrangements through the Average Government School Recurrent Costs (AGSRC) would result in the Australian Government also proportionately increasing its recurrent funding. Under existing Australian Government capital grants, jurisdictions can direct capital funding to VET in Schools works. It is the Australian Government position that VET in Schools is a core responsibility for schools and should be funded from Schools General Recurrent Grants. By contrast, School-based New Apprenticeships should be funded by VET Recurrent Grants.

### 3. Indigenous Education Strategic Initiative Programme (IESIP) and Indigenous Education Direct Assistance Programme (IEDA)

DEST provides supplementary funds for Indigenous education in the pre-school, school and vocational education and training (VET) sectors through the Indigenous Education Strategic Initiatives Programme (IESIP). This funding is provided on a quadrennium basis, the current quadrennium being that for 2001-2004, and is provided to government and non-government VET providers as a supplement to mainstream funding.

The core funding element of IESIP is Supplementary Recurrent Assistance (SRA) which provides supplementary per capita funding to training providers. Funding is based on full-time equivalent enrolments with a minimum of twenty enrolments necessary for funding. Rates are determined according to whether the institution is a government or non-government provider and whether its location is considered remote or non-remote. SRA rates in 2004 for non-government vocational education and training providers are set at \$3,694.39 per capita for remote areas, which is twice the rate of \$1,847.20 for providers in non-remote areas. Non-government rates are more than triple of the government rate in each case.

ABS national census data is used to determine remoteness based on distance from cities with a population of 50,000 people or more, although other 'remoteness' criteria may also apply.

The majority of providers receive funding direct from DEST but providers may also enter into funding clusters to meet the minimum enrolment numbers for example, in

Western Australia the State Government receives and distributes funding for a number of education providers.

The recently announced Australian Government initiatives under the Special Purposes Payment (SPP) IESIP will provide \$641.6 million to continue recurrent assistance to further accelerate the educational outcomes for Indigenous Australians. This funding may be used in the areas of VET in Schools and School-based New Apprenticeships.

#### 4. The funding of Independent Indigenous VET Providers (IIVETs)

Independent Indigenous VET providers (IIVETs) are VET providers focused towards providing training for Indigenous people and communities and with a board controlled by Indigenous people. This is in line with The National Aboriginal and Torres Strait Islander Education Policy (AEP) theme of 'Involvement of Aboriginal people in educational decision-making'. The IIVET sector is a diverse one. IIVETs vary in size, funding levels and the number and level of training programs offered. Independent Aboriginal education providers are an important part of the education system and meet the needs of a particular group of students which are not met by mainstream providers.

During consultation meetings with DEST, some Independent Indigenous VET providers have indicated that remote Indigenous students sometimes undertake courses and modules, without having sufficient English literacy, report writing and independent study skills to complete their studies without additional assistance. They have indicated that some Indigenous students in remote areas require pastoral care and job seeking skills which the institutions are not usually funded to provide.

The IIVET Review Report highlights the unique nature of the IIVET sector. It points to areas where improvements could be made to IIVET effectiveness. These include better access to mainstream funding and, in particular, greater involvement of IIVET Providers in New Apprenticeships training.

The recommendations of the Review can be grouped into five major categories:

- Funding
- Financial Reporting
- Performance Monitoring
- Partnerships/Relationships
- Guidance for Students

The issue of funding is a major one for the IIVETs who are frequently reliant on IESIP funding which is intended to be supplementary in nature. Currently IIVET access to mainstream VET funding is limited. Differences in Indigenous community and government objectives can make it difficult for IIVETs to negotiate and access funding from the appropriate agencies, including State governments.

On 8 March 2004, DEST and the Federation of Independent Aboriginal Education Providers met and agreed that greater access to mainstream funding could be gained by raising the profile of the IIVETs and by strengthening relationships between Federal and State Governments and between IIVETs and business sectors.

DEST will assist the IIVETs to access mainstream funding for example, through conducting workshops on the preparation of funding submissions and possible avenues for funding.

DEST raised IIVETs as an issue for discussion at the Australian Indigenous Training Advisory Council (AITAC), Indigenous Policy Sub Committee (IPSC) agenda on 5 & 6 May, 2004. DEST is also intending to include details and reporting on the IIVETs in the next National Report to Parliament on Indigenous, Education and Training.

### **Reporting and Outcomes**

IESIP recipients enter into an Indigenous Education Agreement with DEST and must report annually against indicators and targets which relate to eight priority areas identified by MCEETYA. Four of these priority areas relate to improved outcomes for Indigenous students and four to developments in Indigenous influence, involvement and presence in training direction and delivery.

The *National Report to Parliament on Indigenous Education and Training, 2002* reported that the percentage of Indigenous VET graduates in employment had increased from 59 % to 69 % in the three years to 2002 with 'outcomes for Indigenous graduates are now very similar to those for non-Indigenous students'. The Report also stated that there had been an increase of 3.9 % in the number of commencing Indigenous New Apprentices between 2001 and 2002 and an 8.4% increase of Indigenous students undertaking the IESIP target of Certificate III or above between those years, according to NCVET data. Indigenous students 'account for a quarter of all remote students'.

There has been a significant increase in participation by Indigenous Australians in VET since Australian, State and Territory governments signed up to the first ANTA Agreement in July 1992. In 1992, there were 19,800 Indigenous people participating in VET. In 2002, this figure had increased to 59,800 – representing a 202 % increase. Participation of Indigenous people in VET in 2002 was at rate twice that of other students. It should be noted that in 2002, VET Indigenous students represented 26 percent of remote area VET students, 4 % of rural VET students and 2 % of VET students in capital cities.

There has also been consistent improvement in VET and employment outcomes for Indigenous people since the implementation of *Partners in a Learning Culture*. Although Indigenous student participation continues to be skewed toward lower level qualifications, the proportion of Indigenous students at higher levels such as AQF Certificate III and Diploma levels has increased from 14.7% in 1999 to 31% in 2002.

Employment outcomes for Indigenous graduates undertaking VET specifically for employment-related reasons has improved in recent years, and in 2002 were comparable of those of the total student cohort. In 2002, 77% of Indigenous VET students were employed after training, compared to 61% in 1999.

As in other areas of VET, there has been strong growth in the number of Indigenous people participating in New Apprenticeships. There were 6,960 indigenous New Apprenticeships in training in 2002, compared to 4,500 in 1999 – representing a 55% increase

c) the effectiveness of competency-based training models to deliver an appropriate level or mix of skills necessary for employment of Indigenous people, including the achievement of the necessary standards of literacy and numeracy;

## **Overview**

Competency based training in Australia refers to training which develops the skills, knowledge and attitudes required to meet industry-determined specification of performance and thereby enable workers to operate effectively in employment. These standards are made up of units of competency, which are themselves made up of elements of competency, together with performance criteria, a range of variables, and an evidence guide. Competency standards are an endorsed component of Training Packages.

Competency based training underpins Training Packages, which are integrated training resources comprising nationally endorsed competency standards, assessment guidelines, and Australian Qualifications Framework qualifications designed to meet the identified training needs of specific industries. The first Training Packages were endorsed in 1997, and there are now 81 endorsed Training Packages across virtually all industry areas, covering over 90% of the workforce occupations where VET is the primary avenue for recognition.

## **Training Packages**

DEST contributed to the recent high level review of Training Packages requested by Training Ministers. The Terms of Reference of the Review included whether competency based Training Packages sufficiently meet the diverse and changing needs of VET sector clients, including Indigenous communities. The Review was completed in early 2004, and was considered by Ministers on 11 June this year. Ministers agreed to the publication of the consultant's report on the Review and endorsed a number of major areas for action.

The consultants report on the Review found that a sharper understanding is needed of what can and cannot be achieved through a competency based system. Competency based training can work for all industries and at all levels if competencies are written in such a way that they allow for a wide range of contexts and applications and are used holistically. However, the report cautioned that there are situations in which Training Packages do not provide the best framework.

The consultants also saw a need to enhance the market standing of Statements of Attainment by promoting them as an important tool for nationally recognised skill sets below full qualification level, which has particularly relevance to Indigenous communities.

The Training Package Development Handbook notes that Training Package Developers are required to provide advice on how the Package's competency standards and qualifications may be 'customised' or contextualised. Contextualisation involves additions or amendments to the unit of competency to suit particular delivery methods, or learner profiles, so long as the integrity of the intended outcome of the unit is maintained.

While there is already considerable scope for customising Training Packages to better meet the needs of Indigenous students, it appears this occurs on a limited scale only, and is not well publicised. Training Packages provide for national consistency and quality, and for the most part, there is sufficient flexibility to allow for innovative training solutions. We consider many Registered Training Organisations (RTOs) are

not aware of the scope for flexibility, nor currently have the capability to take forward opportunities.

The Training Package Development Handbook also states that Training Package developers should establish an Indigenous advisory committee to provide advice at all key stages of the Training Package development process, as genuine partnership with Indigenous people and organisations in designing Training Packages is an important contributor to positive outcomes for Indigenous learners.

In terms of enabling Indigenous people to achieve the required levels of language and literacy, while these competencies have been “built in” to all training packages, many Indigenous people, particularly in rural and remote areas, have very poor English language and literacy skills and need additional support to enable them to attain the relevant competency standard. It should be noted that language and literacy are underpinning skills and as such there are no standards laid down in any training packages.



d) the effectiveness of Commonwealth, state and territory-based initiatives to engage more Indigenous people in training and to encourage higher level skill acquisition in skilled trades and professions, including health and teaching;

### **National Achievements**

There has been a significant increase in participation by Indigenous Australians in VET since Australian, State and Territory governments signed up to the first ANTA Agreement in July 1992. In 1992, there were 19,800 Indigenous people participating in VET. In 2002, this figure had increased to 59,800 – representing a 202% increase. It should be noted that in 2002, VET Indigenous students represented 26% of remote area VET students, 4% of rural VET students and 2% of VET students in capital cities.

There has also been consistent improvement in VET and employment outcomes for Indigenous people since the implementation of a *Partners in a Learning Culture*. Although Indigenous student participation continues to be skewed toward lower level qualifications, the proportion of Indigenous students studying at higher levels such as AQF Certificate III and Diploma levels has increased from 14.7% in 1999 to 31% in 2002.

Under the Partners in a Learning Culture Blueprint, the Australian Government is committed to:

- expanding New Apprenticeship opportunities for Indigenous people;
- marketing higher level courses, apprenticeships and traineeships to Indigenous people; and
- increasing student support services for Indigenous students doing higher level vocational education and training courses, apprenticeships and traineeships.

Employment outcomes for Indigenous graduates undertaking VET specifically for employment-related reasons has improved in recent years, and in 2002 were comparable of those of the total student cohort. In 2002, 77% of Indigenous VET students were employed after training, compared to 61% in 1999.

### **Australian Government initiatives in the VET sector**

#### **1. New Apprenticeships**

The Australian Government is committed to achieving better outcomes in New Apprenticeships for Indigenous Australians. NCVER statistics indicate that participation of Indigenous Australians in vocational education and training has increased in recent years. In 1997 it is estimated that there were 4,233 New Apprentices in training compared with 8,587 (2.1% of total New Apprenticeships in-training) in 2003. This represents an increase of 103% over the period. However, Indigenous people have historically had poorer education outcomes than non-Indigenous Australians.

Indigenous Australians tend to enrol in lower level qualifications (eg Certificates I and II) than non-Indigenous Australians. According to NCVER's 2003 report, *Indigenous People in Vocational Education and Training – a statistical review of progress*, in 2001 45% of Indigenous vocational education and training students were studying at the

Australian Qualifications Framework I or II level (up from 29% in 1997), compared with 24% of all other vocational education and training students (up from 13% in 1997).

Indigenous New Apprenticeships commencements and completions have increased however, not at the same rate that commencements and completions have increased for non-Indigenous people. Those occupations that saw the highest increase in completions occurred in Clerical, Sales and Service Worker occupations and in Labourer and Related Workers occupations.

New Apprenticeships Centres play an important role in the achievement of the Australian Government's goals and objectives by ensuring that opportunities to participate in New Apprenticeships and an awareness of the range of options are available to all Australians.

To assist in achieving these objectives a specific Key Performance Indicator (KPI) for New Apprenticeships Centres was included in the current New Apprenticeships Support Services contract (2003 -2006). This KPI focuses on improving the number of Indigenous Australians undertaking New Apprenticeships. Under this KPI, the participation rate of Indigenous Australians is measured six monthly against the participation rate as at 30 June 2003.

## 2. Group Training and Targeted Initiative Programme (TIP)

Group Training Organisations (GTOs) recruit New Apprentices and place them with 'host' employers for the 'on-the-job' component of their New Apprenticeship. There are more than 180 GTOs across Australia and they employ more than 9% of all New Apprentices, and around 21% of the total Indigenous New Apprentices.

*TIP* funds GTOs to run discrete projects in priority areas. In June 2002, the first *TIP* project was funded in the Northern Territory. This was an introduction of structured school-based New Apprenticeships in the NT. Outcomes have greatly exceeded expectations and there have been further negotiations to increase the number of New Apprentice opportunities for Indigenous students, particularly in remote communities and for students from remote communities who board in Alice Springs and Darwin during the school term.

Another example is the *TIP* project in NSW focussing on ex-offenders and Indigenous people that has been very successful in placing New Apprentices in a diverse range of industries and in overcoming prejudices among local businesses.

## 3. Industry Training Strategies Programme

Following a 2003 review of the Indigenous stream of the Industry Training Strategies Programme, DEST is now contracting organisations to:

- Develop and deliver strategies to provide support for New Apprenticeship Centres and Registered Training Organisations to enable them to increase Indigenous participation in New Apprenticeships;
- Identify regional projects which have the potential to improve Indigenous participation in New Apprenticeships.

Outcomes and learnings from the contracts will inform future DEST programme development.

#### 4. Nursing Initiative Pilot Outcomes

The Australian Government through ANTA and DEST is working to replicate good practice through the development of national principles and models built on an analysis of Indigenous Australians.

One DEST project is the Nursing Initiative with pilots in NSW and Queensland. This initiative will be completed in November 2004. Its objective is to promote and increase pathways into nursing and related health industries with real employment outcomes. This project will assist to address a number of the issues highlighted in the National review of Nursing Education by developing strategies to attract and retain young Indigenous people into the profession and by establishing appropriate pathways through VET in Schools programmes.

#### **Australian Government initiatives in the Higher Education sector**

Strategies for encouraging and increasing Indigenous students' participation and success rates in higher education include:

- The Australian Government will increase funding to institutions to support equity groups including Indigenous students. Additional funding (\$49 million over five years) will be provided under the Indigenous Support Fund (ISF), Higher Education Equity programme and Students with Disabilities Programme from 2005 to enhance the Australian Governments higher education equity programmes. The ISF component will be increased by \$10.3 million over three years from 2005.
- The Australian Government provides funding for the Indigenous Staff Scholarships Programme to further develop Indigenous leadership in the higher education sector by offering professional development opportunities to Indigenous staff in higher education. Five national scholarships providing up to \$10,400 to assist with tuition fees and student contribution amounts, plus a stipend of \$20,900 will be allocated each year.
- An Indigenous Higher Education Advisory Council is being established with funding of \$272,000 per annum for four years to enable consultation with Indigenous people on issues affecting higher education.
- The Australian Government introduced a Commonwealth Learning Scholarship Programme from 2004, (\$327 million over five years), to enhance the participation of rural and regional, low income and Indigenous students in higher education. The Programme will provide merit-based scholarships targeted to students experiencing financial hardship, to assist with education and accommodation costs.
- Commonwealth Education Costs Scholarships will provide a total of 22,740 four-year scholarships valued at \$2,000 per annum (indexed) over 5 years to assist students with educational expenses. Commonwealth Accommodation Scholarships will provide a total of 17,169 new four-year scholarships valued at \$4,000 (indexed) over four years to assist rural and regional students with accommodation expenses, to assist with the costs of studying away from home.
- During 2003-04 the Australian Government will undertake an analysis of trends in higher education and vocational education and training enrolments by Indigenous people. The Commonwealth will review the actions flowing from the joint Centrelink/DEST project of the service delivery aspects of the ABSTUDY Scheme. The project has focussed on an analysis of business rules and processes to

improve service delivery standards and outcomes for Indigenous students, particularly those in rural and remote communities.

e) *models for engaging industry and Indigenous communities in partnerships to develop long-term employment opportunities for Indigenous people—in infrastructure development through to the arts—and the limitations and opportunities these confer.*

## **Council of Australian Governments (COAG) model**

The COAG model of collaboratively engaging with Indigenous communities is one model DEST adopts in improving long term employment opportunities for Indigenous people.

In November 2000, the Council of Australian Governments (COAG) agreed that all governments would work together to improve the social and economic well being of Indigenous people and communities. They agreed on a reconciliation framework based on three priority areas for government action:

- investing in community leadership and governance initiatives;
- reviewing and re-engineering programmes and services to ensure they deliver practical measures that support families, children and young people. COAG also agreed that governments should look at measures for tackling family violence, drug and alcohol dependency and symptoms of community dysfunction; and
- forging greater links between the business sector and Indigenous communities to help promote economic independence.

The COAG decision recognised that the significant commitment by Commonwealth and State and Territory Governments to Indigenous issues is spread across many departments and agencies and through multiple programmes, with the result that activity is often fragmented and uncoordinated. Monitoring and measuring the progress of individual programmes and the broader agenda has been difficult, and progress on the key indicators of social and economic well being has only been gradual.

Governments agreed that both outcomes and management processes in indigenous policy and service delivery need to be improved and the way to do that is twofold:

- governments must work together better at all levels and across all departments and agencies; and
- Indigenous communities and governments must work in partnership and share responsibility for achieving outcomes and for building the capacity of people in communities to manage their own affairs.

For the Australian Government, this concept has two basic tenets:

- that responsibility for the condition and wellbeing of Indigenous communities is one shared by the community, its families and individuals and with governments – this is being called *Shared Responsibility*; and
- communities and governments will need to change their current approaches by building their capacity – in different ways - to be able to deliver on the *Shared Responsibility* and build a *Shared Future*.

In April 2002 the Council of Australian Governments (COAG) agreed to trial working together with Indigenous communities in up to ten regions to provide more flexible programmes and services, based on priorities agreed with communities. Eight sites

were finally settled upon. The new approach is based on a shared responsibility between government and communities.

Local agreements, call Shared Responsibility Agreements, are being negotiated between the parties. These set out the key issues and priorities, identify agreed outcomes and benchmarks to measure progress and describe each party's responsibility for making things work.

A key to this strategy is working in partnership. It is not only about better coordination of service delivery, it is also about communities being in a position to identify priorities, developing strategies for long-term sustainable change, tailoring government action to identified community needs and aspirations, and encouraging innovative approaches.

This model openly supports the engagement of industry into the partnership.

### **National network of Local Community Partnerships**

Following the Government's decision to transfer the functions of the Enterprise and Career Education Foundation (ECEP) into DEST, it now has a *national network of Local Community Partnerships (LCPs)* that offer a range of vocational educational and enterprise education opportunities to young Indigenous Australians.

The national network of LCPs is developing effective partnerships between school, industries, businesses and local communities to support the delivery of vocational and enterprise education. LCPs facilitate the delivery of the Structured Workplace Learning Programme. Schools, industry, employers and community groups work together to provide students in Years 11 and 12 with real opportunities in workplaces to assist them in making the right educational and vocational choices.

The coordinator of LCPs works with local communities to support facilitate the establishment of a local coalition of common interest for improving learning outcomes for young people in their location.

Additionally, up to 26 LCPs were established in remote areas of Central and Northern Australia to specifically respond to the educational and employment needs of Indigenous young people and their communities.

Many young Indigenous Australians are engaged through mainstream Structured Workplace Learning (SWL) clusters that presently provide workplace learning opportunities for all students across Australia.

### **Partnership Outreach Education Model (POEMS) Pilots**

The POEMS pilots were part of the Australian Government's response to the Report of the Prime Minister's Youth Pathways Action Plan Taskforce, *Footprints to the Future*, which presented a vision of governments and communities working together to assist young people to secure their education and training foundation.

The POEM pilots were designed to trial new ways of engaging young people who have become disconnected from mainstream education and often their families, in community learning environments where vulnerable young people feel comfortable, and that take into account their preferred learning styles and cultural, social and physical needs. The primary target group of the POEM projects were those who were at greatest risk of social exclusion.

The POEM model can be conceptualised as a circuit breaker both in terms of individual lives and in terms of ongoing economic costs to society. It is demonstrating the capacity to break circuits of educational failure and dysfunctional behaviour for those who have slipped through the holes in the various safety nets provided by families, schools and community services.

More work may be needed towards identifying those “at risk” young people who are still engaged in mainstream learning environments, and providing support for their continued participation in those settings. Based on the experiences of the young people and providers in POEM, creating a more supportive mainstream school culture, which enhances relationships between “at risk” students and teachers, may be one key intervention area that could help reduce the rate of disconnection.

### **Career and Transition (CAT) Pilot**

In its report, *Footprints to the Future*, (2001) the Prime Minister’s Youth Pathways Action Plan Taskforce found that career and transition services were inconsistent around Australia and urged that all young people should have access to professional career advice, ongoing assistance with transition planning from year 8; and effective, relevant and appropriate career transition support in school and/or in local community settings; and that every young person from Year 8 onwards develops a “Learning Pathways Plan” to address transition issues as they arise.

DEST established 23 CATs pilots, which gave communities the opportunity to explore appropriate models of career and transition service provision, with a flexible, action learning framework.

The CAT pilot was designed to test ways of delivering career transition services for all young people. This model is a proactive strategy commencing in schools who had been experiencing severe difficulties in engaging with mainstream education, training or employment.

In total, the CAT pilots provided a career and transition service to over 37,000 young people. 24,000 Learning Pathways Plans were implemented, approximately 12,000 with assistance provided directly by a CAT Advisor and 12,000 with assistance from a teacher.

### **Industry Training Strategies Programme**

The Department of Education, Science and Training, through the Industry Training Branch, operates the Industry Training Strategies Programme (ITSP). ITSP is a component of the *New Apprenticeships: Workforce Skills Development (WSD) Programme* announced in the Commonwealth 2000-01 Budget.

The key function of providers under the Indigenous classification is to provide a range of services including advice, assistance, research and promotional activities to support NACs and RTOs, peak employer associations, VET organisations, Indigenous agencies and/or Indigenous communities to support and expand Indigenous peoples’ participation in formal and nationally recognised training programmes, specifically New Apprenticeships and Training Packages. ‘Indigenous peoples’ means a person of Aboriginal or Torres Strait Islander descent who identifies as such and is accepted as such by the community in which he or she lives or has lived.

Currently DEST is funding CIT Solution ACT to undertake Stage One of a three stage project which will provide:

- the information that NACs and RTOs require to improve the participation of Indigenous peoples in New Apprenticeships; and

- the characteristics of past and present regional projects that have increased or improved the participation of Indigenous people in New Apprenticeships and vocational education and training and employment; and
- the opportunities for regional partnership projects, (projects that potentially involve partners such as industry, community, education representatives and organisations) that are likely to improve the participation of Indigenous people in New Apprenticeships and vocational education and training.

### **Working Together for Indigenous Youth (WTIY) Initiative**

The Working Together for Indigenous Youth (WTIY) initiative is a key element of the Australian Government's *Australians Working Together (AWT) – Helping People To Move Forward* support package announced at the 2001-2002 budget.

Funding of \$6 million has been made available over the period 2002-2004 to support 1,600 young Indigenous people to stay on at school or move into further education, training or paid employment. The primary target for the WTIY initiative is Indigenous students who are either secondary education aged or enrolled in secondary education.

The initiative will be implemented through the development and sustaining of local partnerships between the community, students, parents, education providers, local employers etc. All parties work together to overcome barriers to develop solutions that work in that particular situation/locality.

Funding under the WTIY initiative was made available on a short term basis for organisations to act as Facilitation Agents. Facilitation Agents undertake activities to implement the National Framework within local communities, including:

- facilitating the development of a local partnership involving the Indigenous community, education providers, industry and governments;
- consulting with key local stakeholders about the barriers to a successful transition from school to independence for Indigenous students, and the most appropriate local solutions;
- mapping existing support services for Indigenous students;
- developing a holistic intervention plan encompassing the feedback from the consultation process; and
- seeking support for the plan's implementation.

The first round of projects has been completed. The second (and final) round of projects was announced by the Minister in April 2004. At this stage, there are no findings available on the success of the initiative.

It is anticipated that more than 1800 students will be assisted through the WTIY initiative.

Funding under the WTIY initiative is not available for ongoing support. The intention is to use the plans and networks developed through the WTIY initiative to assist support agencies to target existing ongoing support more effectively.