



Forrest Review

Creating Parity

**FORREST REVIEW OF INDIGENOUS
TRAINING AND EMPLOYMENT
PROGRAMMES**

Introduction

- The Government engaged Andrew Forrest to provide advice on indigenous employment.
- His Report, *Creating Parity – Forrest Review*, makes 27 recommendations that are aimed at creating parity between Indigenous and other Australians.
- The disparity between indigenous and non-indigenous Australians is stark and getting larger:
 - Employment gap is getting wider.
 - Passive welfare is the main source of income in most places.
 - Alcohol and drugs remains rife in many places, fueled by welfare money and destroying families
 - In remote places, many school leavers are barely literate
- Forrest's recommendations aim to create an environment where Indigenous communities are vibrant, educated, resilient and mobile to allow Indigenous people to succeed in what ever they wish.
- The recommendations seek structural reform in the way Government does business with Indigenous Communities.
- But it also ask indigenous people to take control and responsibility and work in partnership with governments.

The Report

- The Government is considering the recommendations made in the Review.
- The recommendations also involve state and territory governments.
- Your feedback is important.
- The Report covers a wide range of topics from pre-natal services, training and employment to the welfare system.

Early Childhood

The facts

- Early years are critical in brain development.
- Indigenous children more than twice as likely to be developmentally delayed.
- Lower birth rates, higher incidence of perinatal death, and Foetal Alcohol Spectrum Disorder means they start from behind.

Recommendations

- Intensive early childhood services on school grounds starting before birth in 200 communities
- Comprehensive case management for parents who need it
- Extend role of school attendance officers to include mothers and children
- Family benefits 'earned' by children attending pre-school and school

Education

The facts

- **When Indigenous people get a decent education, an apprenticeship or above, they have employment parity.**
- **Attendance rate not sufficient for learning:**
 - In remote places, only a quarter are attending 80% of time.
 - Parents have a legal obligation to send children to school.
- **Indigenous students about 3 years behind by age of 15.**

Recommendations

- **Full school attendance should be non-negotiable**
 - Pay States on actual attendance.
 - Publish data on Myschool website.
 - States should enforce truancy rules
 - Transparent school attendance plans when attendance drops below 80%.
 - Family benefits 'earned' by sending children to school.
- **Improve instruction methods:**
 - English language explicit instruction the basis of learning.
 - Schools must have an enforceable plan to lift outcomes.
 - Better targeted ABSTUDY, access to boarding schools
- **Incentives to attract top teachers.**
 - Scholarships and incentives for good teachers to go to remote areas.
 - Using top principals to mentor others.

Healthy welfare card (debit card)

The facts

- **Welfare cash is being spent on alcohol, drugs, and gambling and kids denied the basic essentials.**
 - One in four babies born with Foetal Alcohol Spectrum Disorder in some locations
- **Stable finances important to ensure family stability.**
 - lack of budgeting tools
- **Current income management system helping in many instances, but expensive and not connected to normal banking products.**

Recommendations

- **Introduce a bank debit card for welfare payments (except aged and veteran's pensions)**
- **The card can be used anywhere for any product, but two restrictions:**
 - Cannot be used for alcohol, gambling or illicit products
 - Cannot access cash from the card.

Building Indigenous capacity: training and employment services reform

The facts

- More than 60% of 17 to 24-year-old Indigenous Australians leave school without connecting to further study or work compared to 26% of other young Australians.
- This increases to 82% in remote areas.
- Job Services Australia is not working for indigenous people.
- There a limited number of real jobs in remote communities, but sometimes labor shortages elsewhere.
- Companies are seeking indigenous employees, but struggle to find the supply.

Recommendations

- Reform Job Services Australia system based on the principles of Vocational, Training and Employment Centres:
 - Heavily weighted payments towards 26 week outcomes
 - Work-for-the-dole to ensure active participation
 - Strict no-work no-pay
- Only fund training linked to a job, especially Certificate I and II.
- Stronger support for school-based trainees
- Support for mobility packages (more on this later)

Building employer demand

The facts

- The employment 'gap' is large and getting bigger.
 - Demographic challenges ahead – 50% below 20 years old.
 - Achieving employment parity requires 188,000 additional jobs.
- Opportunities in government employment and procurement to do more
 - Federal procurement of indigenous businesses only 0.01%.
 - Fed Govt alone spends \$39 billion
- Private sector willing to do more, but want less red tape.

Recommendations

- Fed Govt buys at least 4% of its goods and services (within 4 years) from Indigenous businesses.
- Public sector Indigenous employment targets of 4%
- Tailored government assistance for the top 200 Australian companies that increase their Indigenous workforce to 4% (or better) over 4 years.
- Indigenous Employment Programme only funds training where there is a guaranteed job.
- Tax free status for indigenous businesses which met certain employment thresholds

Housing and mobility

The facts

- **Housing an impediment to taking a job in many instances:**
 - Income thresholds stop people taking a job
 - Expense of moving from public house in remote community to mainstream housing in economic centre
- **Not always financially rational to move for a job.**
- **Few home ownership opportunities on communal lands**
- **27% of Indigenous households are in social housing increasing to 83% in remote communities.**

Recommendations

- **Improve mobility support:**
 - New mobility packages started 1 July 2014
 - Making accommodation part of support package for moving. Case management assistance at destination.
 - Support purchase of house at destination after 12 months of working (i.e. portability of HOIL entitlement)
- **Reform public housing:**
 - Continued eligibility up to 30 months for those in work
 - Preference given to those who work and send kids to school
 - Reasonable rents in public houses
 - Only build new remote housing in areas where land tenure enables home ownership and private investment
- **Stronger support for home ownership, including portability of remote subsidies**
- **Increase home loans opportunities for people who re-locate and stay in a job for 12 months.**

Empowering remote communities

The facts

- **Dozens of services in communities which are not coordinated**
- **Lack of local empowerment.**

Recommendations

- **A local board of elders in each community to:**
 - Set schooling, work and safety norms
 - Hears appeals from individuals who have had payments suspended.
 - Oversight the new Job Centre
 - Negotiate and approve new services in the community
- **Reform remote jobs programs:**
 - Work-for-the-dole from day one
 - Strict no-work no-pay
 - Licence, literacy and numeracy training can be part of work-for-the-dole
 - Strong incentives to get people into real jobs, including through mobility
 - Heavily weighted payments towards 26 week outcomes
- **Capacity for TOs who wish to convert their land to freehold or 99 year lease**

Government consideration of the Review

- The Review is now being considered by the Government
- More information is available at:
<https://indigenousjobsandtrainingreview.dpmc.gov.au/>