



Victorian Aboriginal Economic Strategy 2013-2020

Building Opportunity and Economic Prosperity for all Aboriginal Victorians

Acronyms

ABS	Australian Bureau of Statistics
OAAV	Office of Aboriginal Affairs Victoria
DEECD	Department of Education and Early Childhood Development
DHS	Department of Human Services
DSDBI	Department of State Development, Business and Innovation
DOH	Department of Health
DOJ	Department of Justice
DTPLI	Department of Transport, Planning and Local Infrastructure
DPC	Department of Premier and Cabinet
DEPI	Department of Environment and Primary Industries
DTF	Department of Treasury and Finance
SSA	State Services Authority
VAAF	Victorian Aboriginal Affairs Framework 2013-2018
VET	Vocational Education and Training

Throughout this document the term “Aboriginal” is used to refer to both Aboriginal and Torres Strait Islander people. Use of the terms “Koori”, “Koorie” and “Indigenous” are retained in the names of programs, initiatives and publication titles, and unless noted otherwise, are inclusive of both Aboriginal and Torres Strait Islander peoples.

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Message from the Ministers

The Victorian Government is committed to building a strong and competitive economy that provides opportunity, choice and prosperity for all Victorians. With this in mind, we are proud to present the Victorian Aboriginal Economic Strategy as a key component of the Victorian Government's approach to Aboriginal affairs.

Victoria's overarching policy framework for Aboriginal affairs, the *Victorian Aboriginal Affairs Framework 2013-2018*, identifies economic participation as central to Aboriginal Victorians fulfilling their aspirations and reaching their full potential. Economic participation and development has also been identified as a high priority by Aboriginal communities around Victoria in recognition that having a job and a place in the economy builds self-esteem, independence, positive role models and contributes to Victoria's overall competitive advantage.

This Strategy recognises that Victoria's Aboriginal people have a rich history of trade and commerce and many Aboriginal people, organisations and enterprises make valuable contributions to Victoria's diverse and thriving economy as employees, business owners, managers and volunteers. This Strategy brings a new approach to Aboriginal economic participation in Victoria. While it is not intended to be a prescriptive agenda, the Strategy will serve as a strategic platform with actions evolving in partnership with Aboriginal people and the private sector.

The vision of the Strategy is 'building opportunity and economic prosperity for all Aboriginal Victorians'. Key to the realisation of this vision will be the Victorian Aboriginal Economic Board. The role of the Board will be to cut through red tape and engage the private and philanthropic sectors to support initiatives that will build Aboriginal employment and enterprise.

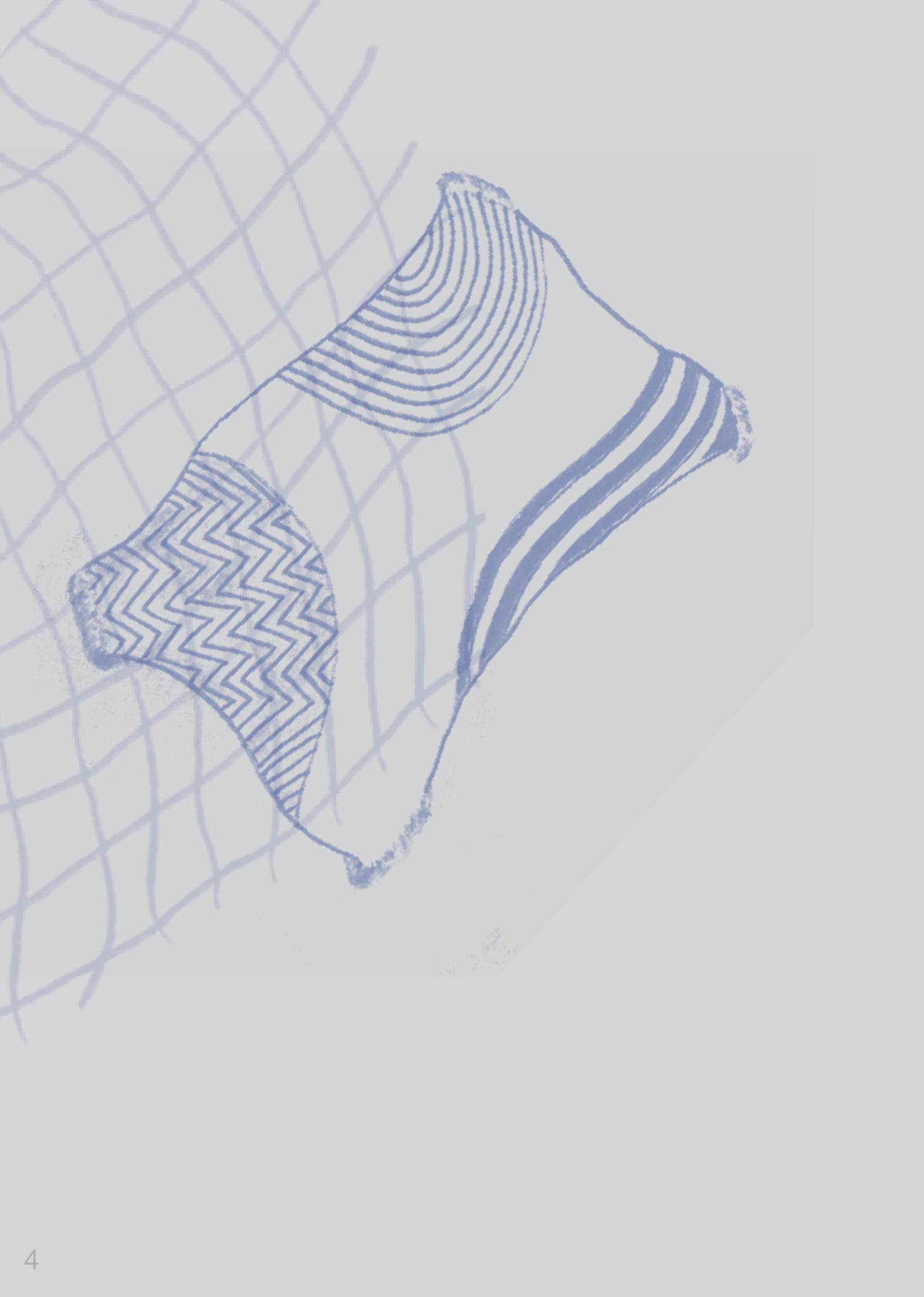
This Strategy has been informed by many successful Aboriginal organisations and business operators, as well as leaders in Victoria's broader financial and business sector. This Strategy will build opportunities through stronger foundations, more jobs and more business in growth industries and where Aboriginal people have the competitive edge. Through better direction of government effort and strong partnerships with the business and investment sectors, the outlook is very positive for Aboriginal people to realise greater economic prosperity.



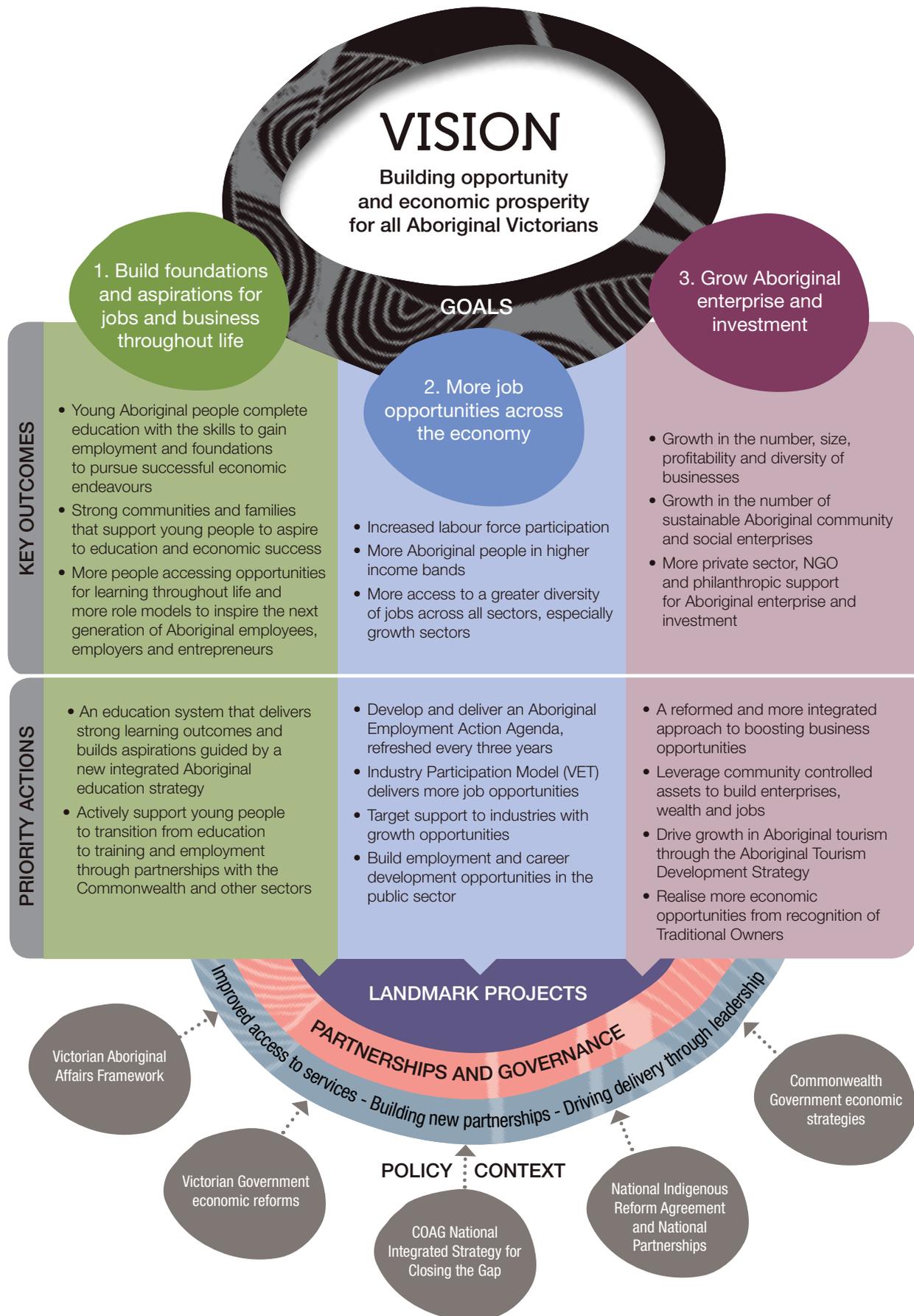
Jeanette Powell
Minister for Aboriginal Affairs

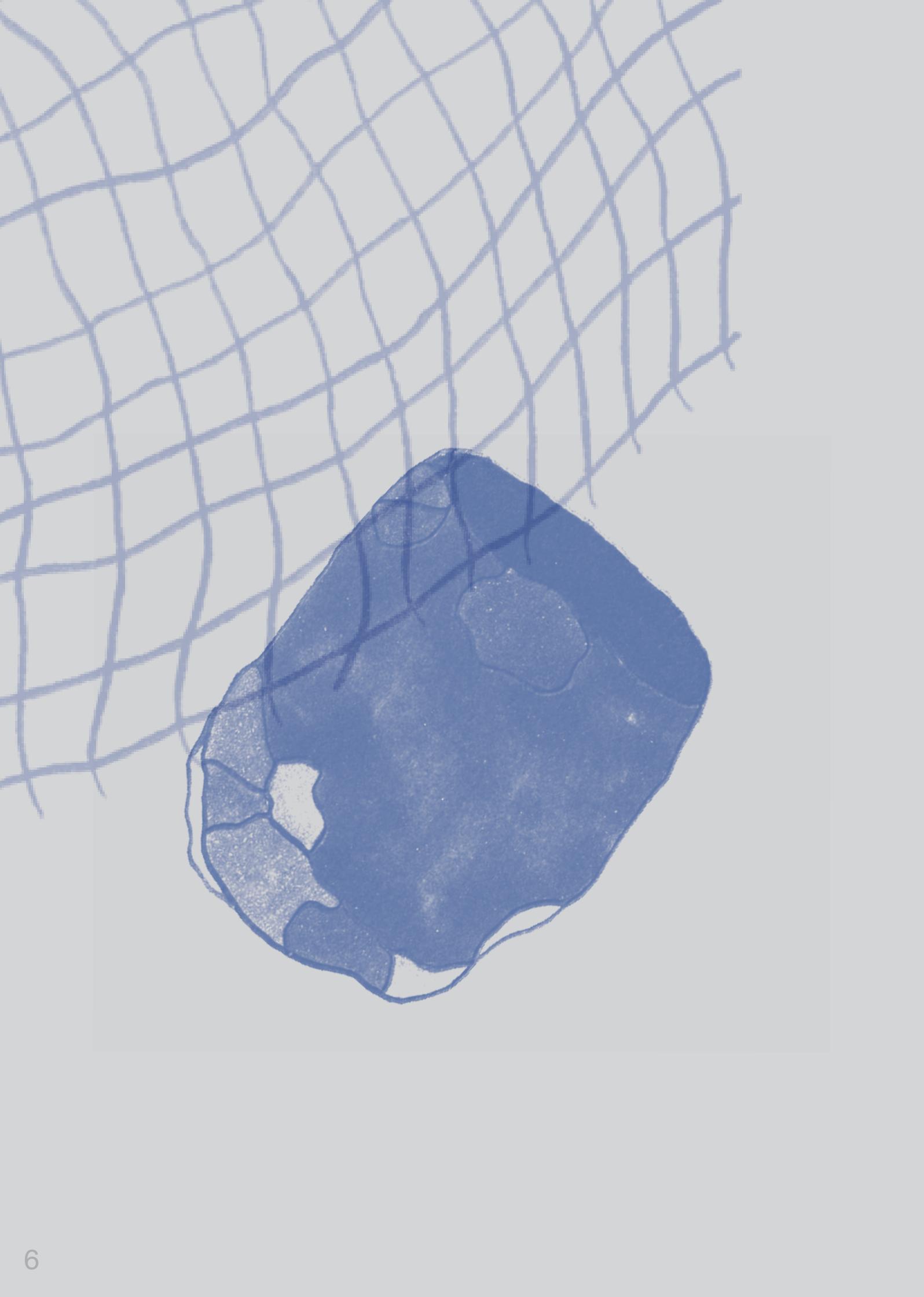


Louise Asher
Minister for Employment and Trade
Minister for Tourism and Major Events
Minister for Innovation, Services and Small Business



1. Strategy at a glance





2. Actions at a glance

Partnerships and Drive for Delivery

- Strong partnerships between community, private sector and government
- High level leadership through the Victorian Aboriginal Economic Board

Goal 1: Build foundations and aspirations for jobs and business throughout life

- An education system that delivers strong learning outcomes and builds aspirations guided by a new integrated Aboriginal education strategy
- Actively support young people to transition from education to training and employment through partnerships with the Commonwealth and other sectors

Goal 2: More job opportunities across the economy

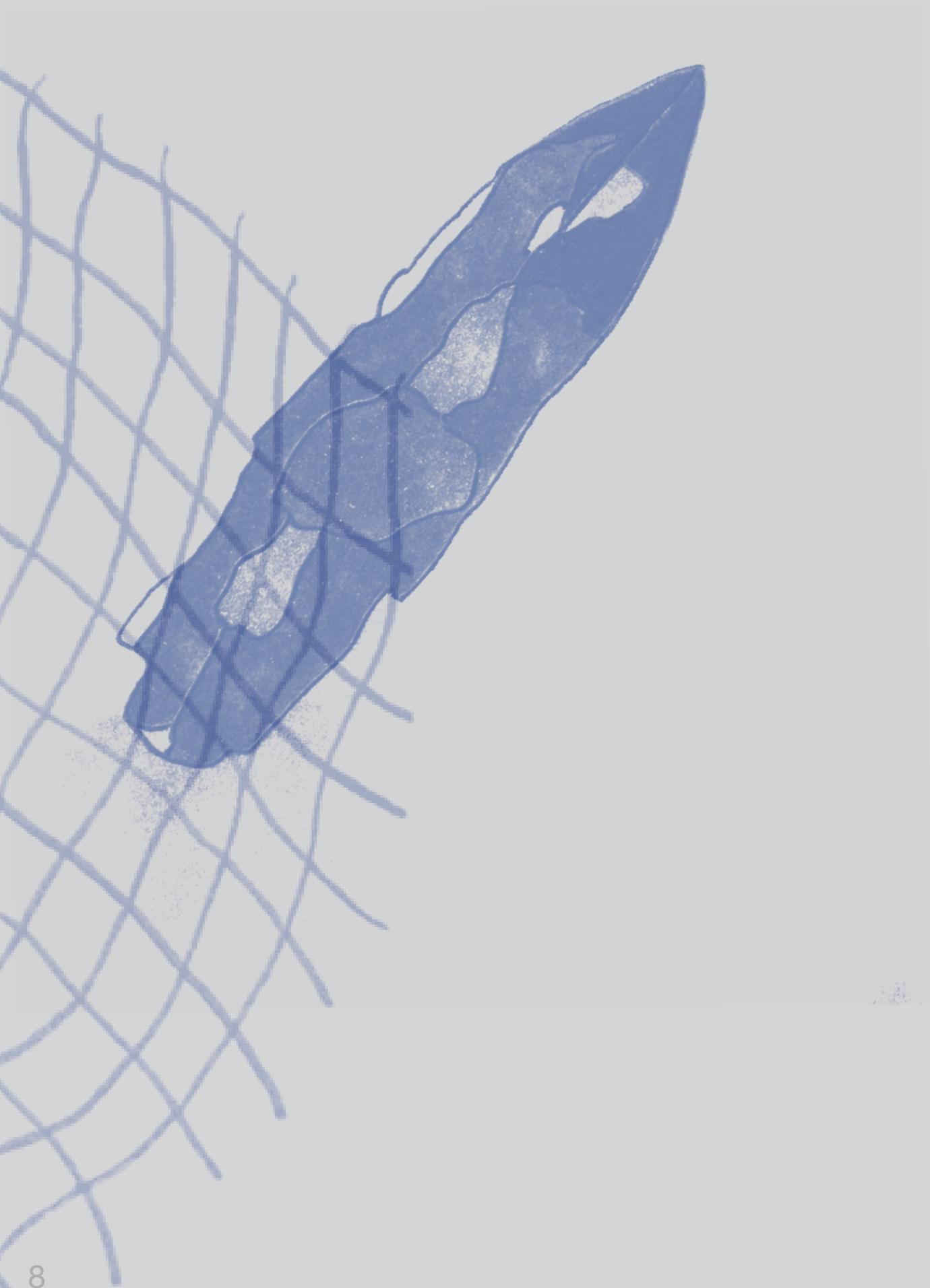
- Develop and deliver an Aboriginal Employment Action Agenda, refreshed every three years
- Industry Participation Model (VET) delivers more job opportunities
- Target support to industries with growth opportunities
- Build employment and career development opportunities in the public sector

Goal 3: Grow Aboriginal enterprise and investment

- A reformed and more integrated approach to boosting business opportunities
- Leverage community controlled assets to build enterprises, wealth and jobs
- Drive growth in Aboriginal tourism through a 10 year Aboriginal Tourism Development Strategy
- Realise more economic opportunities from recognition of Traditional Owners

Landmark Projects

- Support investment ready Landmark Projects for accelerated development and facilitated investment, partnerships and business support



3. A Victorian Aboriginal Economic Strategy

Economic prosperity is central to Victoria's Aboriginal affairs reform agenda.

Our vision is **building opportunity and economic prosperity for all Aboriginal Victorians**.

This Strategy sets an agenda for action by all levels of government, entrepreneurs, the private sector and Victoria's Aboriginal community to boost economic outcomes. It builds on the valuable contribution that Aboriginal Victorians are already making within the economy, as employees, businesses owners and managers, in their work across many diverse sectors and industries.

This Strategy commits to increasing the number of Aboriginal people in rewarding jobs and operating profitable businesses, by building stronger foundations in education and skills as well as growing opportunities for employment and viable business ventures.

It reflects the aspirations of Aboriginal people to take up the opportunities that the Victorian economy provides for long term economic prosperity. This Strategy:

- builds on the strengths of Aboriginal Victorians and a long history of successful enterprise and trade as part of their own economic systems
- acknowledges that Aboriginal participation in the Victorian economy has been impacted by the policies and practices of past governments
- recognises the desire of Aboriginal people for economic equality with non-Aboriginal Victorians
- removes barriers that continue to impede economic activity of Aboriginal organisations
- takes an integrated approach that connects education, skills development and training, access to jobs, business and wealth building opportunities
- complements and builds on programs and initiatives focused on growing Aboriginal employment and enterprise, including Commonwealth Government initiatives
- establishes governance arrangements to support and drive the delivery and success of the Strategy that build commitments across a diverse range of growing sectors.

The Strategy has been informed by the ideas, insights and recommendations arising from Victoria's Economic Development Summit: *Aboriginal Victorians in the Economy, New Conversations*. The summit was jointly hosted by the Victorian and Commonwealth Governments on 17 July 2012. Aboriginal, business, philanthropic and investment leaders explored the drivers for economic success for Aboriginal Victorians over the coming decade. Key points raised at the summit were:

- building aspirations of Aboriginal students and expectations of achievement by schools, families and communities
- connecting Aboriginal jobseekers with skills to available jobs, especially in industries where it is a competitive advantage to employ a local workforce
- ensuring training courses are linked to real, sustainable jobs in growth industries
- encouraging business as a career path for young Aboriginal Victorians
- translating new ideas into sound business plans capable of attracting investment, from the private finance sector, philanthropic organisations or government
- realising economic development outcomes from native title settlements
- improving financial literacy and business capability of Aboriginal people, families and communities
- recognising the role educators and employers play in creating a supportive environment in which more Aboriginal people want to develop skills, gain qualifications and develop careers
- encouraging and supporting engagement and relationships between employers and Victoria's Aboriginal communities and organisations.

The Strategy also builds on earlier efforts to build economic participation of Aboriginal Victorians including *Moonda Wurrin Gree: A Report of the Victorian Aboriginal Economic Development Group*.

Link to the broader Aboriginal affairs agenda

This Strategy complements commitments made in the *Victorian Aboriginal Affairs Framework 2013-2018* (VAAF), the government's overarching framework for improving the quality of life of all Aboriginal people, their families and community. The VAAF takes a life course approach that recognises the important role foundations and opportunities play from infancy to later life and reflects a partnership approach between the government and the Victorian Aboriginal community.

One of the key priorities in the VAAF is building prosperity through economic participation, and this Strategy is the key mechanism for delivering this VAAF objective.

Through the VAAF the government has committed to headline indicators and measurable targets related to preschool participation, strong education and training outcomes and labour force participation. The VAAF also provides for other strategic areas and priorities that are important to successful life outcomes, including health, housing and safe communities.

Table 1: Key VAAF Headline indicators and targets of direct focus for this Strategy

Strategic Action Area	Headline Indicators	Targets
Early childhood development	Increase Aboriginal kindergarten participation	By 2014, the gap between Aboriginal and non-Aboriginal 4 year old children having access to a high quality kindergarten program will be closed
Education and training	Improve literacy and numeracy in Years 3, 5, 7 and 9 for Aboriginal students	By 2018, halve the gap for Aboriginal students in reading, writing and numeracy
	Increase the proportion of Aboriginal young people aged 20-24 who have completed at least Year 12 or equivalent	By 2020, halve the gap between the Year 12 or equivalent attainment rates of Aboriginal and non-Aboriginal 20-24 year olds
Economic participation	Increase Aboriginal labour force participation	By 2018, halve the gap in employment outcomes between Aboriginal and non-Aboriginal Victorians, as measured by: <ul style="list-style-type: none"> • Employment to population ratio, for 15 to 64 years old • Unemployment rate • Labour force participation rate
	Increase workforce participation by Aboriginal people in the public sector	By 2018, employment of Aboriginal people in the Victorian public service will increase to 1% of total employees

The economic context

Victoria has great strengths – an innovative economy and competitive business environment, a workforce with growing skills, a diverse community and liveable cities and regions. Victoria's economy is performing well and the medium term prospects are positive.

In 2012-13, the level of economic activity in the Victorian economy totalled \$340 billion, accounting for almost 23 per cent of national economic activity according to the ABS. The Victorian State Budget forecasts that gross state product will grow moderately over the next few years. This growth reflects the benefits of Victoria's diverse economy.

Key initiatives of the Victorian Government's economic development agenda include:

- building a world class road network to link people, products and markets
- working more effectively with the private sector to deliver new infrastructure projects, including using procurement processes
- streamlining government processes identifying surplus land and bringing it to market
- accelerating planning and environmental approval reforms to increase certainty for businesses looking to invest in Victoria
- creating new export markets for Victorian businesses
- cultivating Victoria's food and agriculture industry and capitalising on export opportunities
- further reforming the water sector to ensure urban water businesses are focused on driving productivity and lower cost delivery for consumers
- implementing a new regulatory reform agenda to reduce the burden on the community and business, with a stronger focus on private sector consultation and input, improved performance by regulators and more streamlined and efficient enforcement
- utilising the additional investment of \$1 billion in vocational training to create a refocused and improved vocational education and training (VET) system, which will target skills shortage areas relevant to the economy.

This Strategy aligns with these broader economic priorities and initiatives. Importantly, it is also built on the recognition that economic conditions change over time, while putting in place a solid platform to better position Aboriginal people and organisations to reap potential economic benefits.

Projections already reveal that over the next 10 to 20 years there will be significant structural change in key industries in Victoria. This means opportunities for growth will change. Employment is projected to increase in sectors such as health and social services, professional and technical services, education and training, and construction. This has implications for both the current Aboriginal workforce and young Aboriginal Victorians who will be entering the workforce over the next decade.

Regional Growth Fund

Regional cities and country communities play an important role in driving growth and prosperity in Victoria. The regions play a key role in the Victorian Government's vision to achieve balanced growth across the State.

This is why the government is delivering additional funding and programs to regional and rural Victoria through the Regional Growth Fund. The Regional Growth Fund is providing \$1 billion over eight years to build strong, vibrant cities and country communities.

The Regional Growth Fund is supporting major strategic infrastructure and community-led local initiatives that improve both the competitiveness and liveability of regional and rural Victoria, creating more jobs and better career opportunities.

Aboriginal Victorians in the economy

Victoria's Aboriginal population is growing. Over the five years to 2011, the ABS estimates the population grew by 13,800 people or 5.8 per cent per annum. In 2011, Aboriginal people made up 47,333 or 0.9 per cent of Victoria's total population. This population has a comparatively young profile with a median age of 21.7 years. This is in contrast to the slowing in population growth of non-Aboriginal Victorians, with a median age of 37.3 years

The economic potential of this young and growing Aboriginal population is significant. Realising this potential requires strong foundations in education and training for entrance into the workplace and ongoing success in employment.

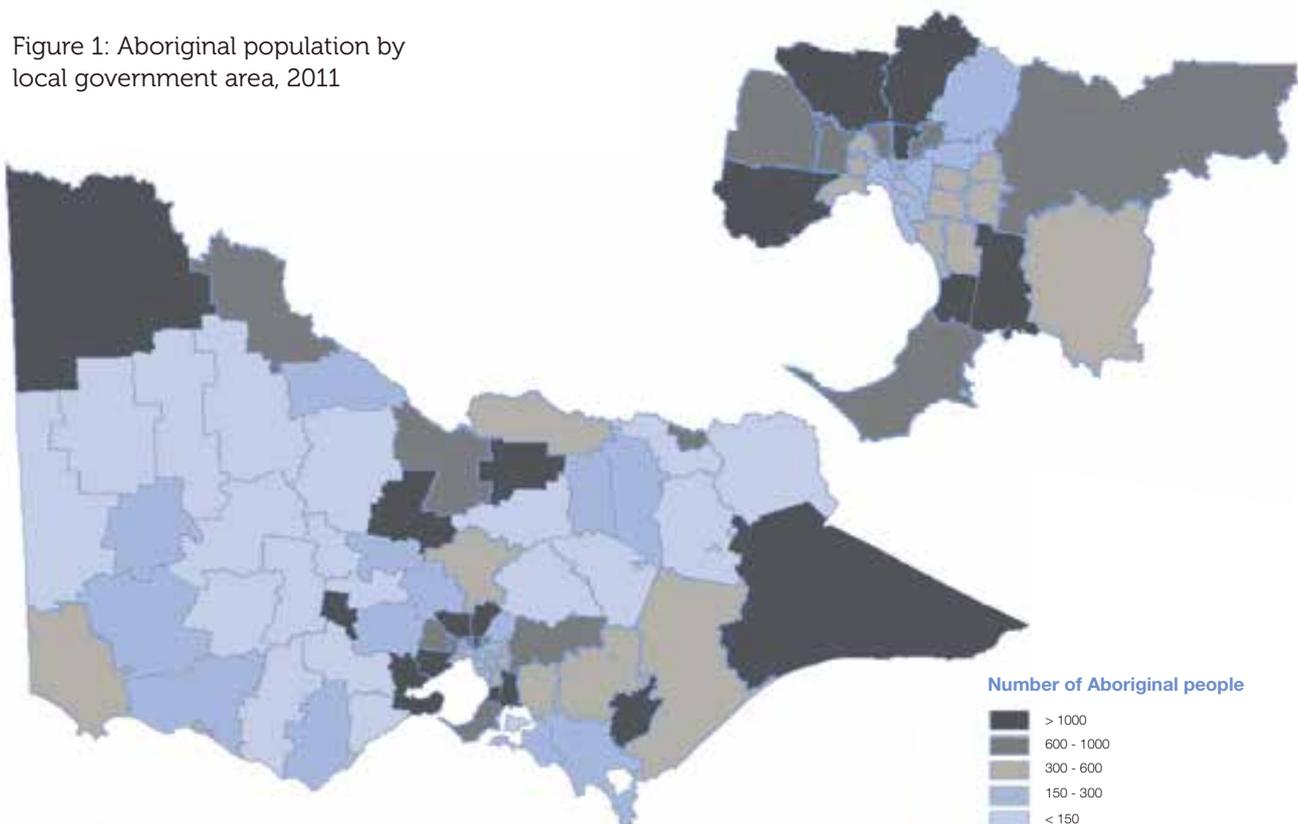
In 2011, a high proportion of Aboriginal Victorians were employed in the health care and social assistance industries. These industries are also where the largest numbers of Aboriginal people are currently enrolled for vocational education and training. This is a positive trend as it aligns with projected

industry growth over the medium to long term. Other key sectors where employment growth is forecast, such as the professional, scientific and technical services industries should be seen as areas of significant opportunity over the course of this Strategy.

Opportunities will vary from place to place. In 2011, 46.3 per cent of Aboriginal Victorians lived in metropolitan Melbourne, whilst just over half (53.7 per cent) resided in regional Victoria. Labour market outcomes for Aboriginal Victorians are stronger in metropolitan Melbourne than regional Victoria, with the full time employment rate of 61 per cent compared to 52 per cent, and a significantly lower unemployment rate of 11 per cent compared with 17 per cent. Incomes are also higher in metropolitan Melbourne.

Local government areas with the highest number of Aboriginal people are shown in Figure 1. A number of these areas align with the geographic locations of industries and regional areas that are expected to experience skills shortages in coming years.

Figure 1: Aboriginal population by local government area, 2011



Source: ABS Census of Population and Housing, 2011

Many Aboriginal people and communities throughout Victoria have achieved economic success in a range of areas – as employees, small business operators and as leaders of larger scale business activities. They bring strong benefits to local, regional and the state economy. For complex reasons, however, some people continue to struggle.

Prior to European settlement, Aboriginal communities participated in economic activity and trade, with emphasis on tools, food and services. The concept of a trading economy was common across different communities and varied according to the local environment.

The appropriation of land and the spread of European settlers over vast areas greatly reduced the ability for Aboriginal people and communities to continue trade and live in a self-sufficient way. Further, policies and practices meant that for decades Aboriginal labour was unpaid, curbing opportunities for Aboriginal people to build wealth and provide for their families and communities. These practices have now ceased, however as recognised by governments and more broadly, the effects are still felt by the Aboriginal community today.

This Strategy is focussed on improving opportunities for Aboriginal Victorians to realise sustained economic prosperity, centred on three goals:

- building foundations and aspirations for success in jobs and business throughout life
- more job opportunities across the economy
- grow Aboriginal enterprise and investment.

Each goal is described in the Strategy, together with priority actions to foster strong economic outcomes over the next seven years.

Other supporting strategies

This Strategy sits alongside other government policies, strategies and agreements, including the COAG Closing the Gap initiative, the National Indigenous Reform Agreement (NIRA). Nationally all governments recognise it will take a generation to close the gap in outcomes between Aboriginal and non-Aboriginal Australians. For this to happen, stronger economic outcomes must remain a key priority.

Many complementary strategies and actions are currently underway to address disadvantage across several strategic areas. Whilst addressing the causes of disadvantage is important to achieving this Strategy's overall vision and objectives, this is not the direct focus of this Strategy.

Improving educational and economic outcomes helps address disadvantage. For individuals, disadvantage results in a lower quality of life – more chronic health problems, higher levels of interaction with the criminal justice system, less secure housing and greater social isolation – often across generations. Addressing such issues is a key enabler for individuals to have a better chance at success in education, work and business and building future prosperity.

While some paths to economic participation are more complex than others, no-one should be left behind. Like the NIRA and the VAAF, this Strategy recognises that supporting Aboriginal people to achieve their full potential requires a focused commitment to build economic participation. This Strategy also recognises the need for stronger coordination between governments, departments and agencies.

A new collaborative approach with the Commonwealth Government

The Federal Government's policy on Aboriginal employment is to provide up to \$45 million to increase training opportunities and guarantee jobs for up to 5,000 unemployed Aboriginal people.

There are also commitments to improve the outcomes delivered by Commonwealth departments and agencies for training and employment programs.

The reforms to refocus vocational training will better align training with its value to industries and the economy.

Working with the Commonwealth, Victoria will look to ensure our efforts are aligned to maximise opportunities for Aboriginal Victorians.



4. Partnerships and Drive for Delivery

Three overarching principles are fundamental to the successful delivery of this Strategy:

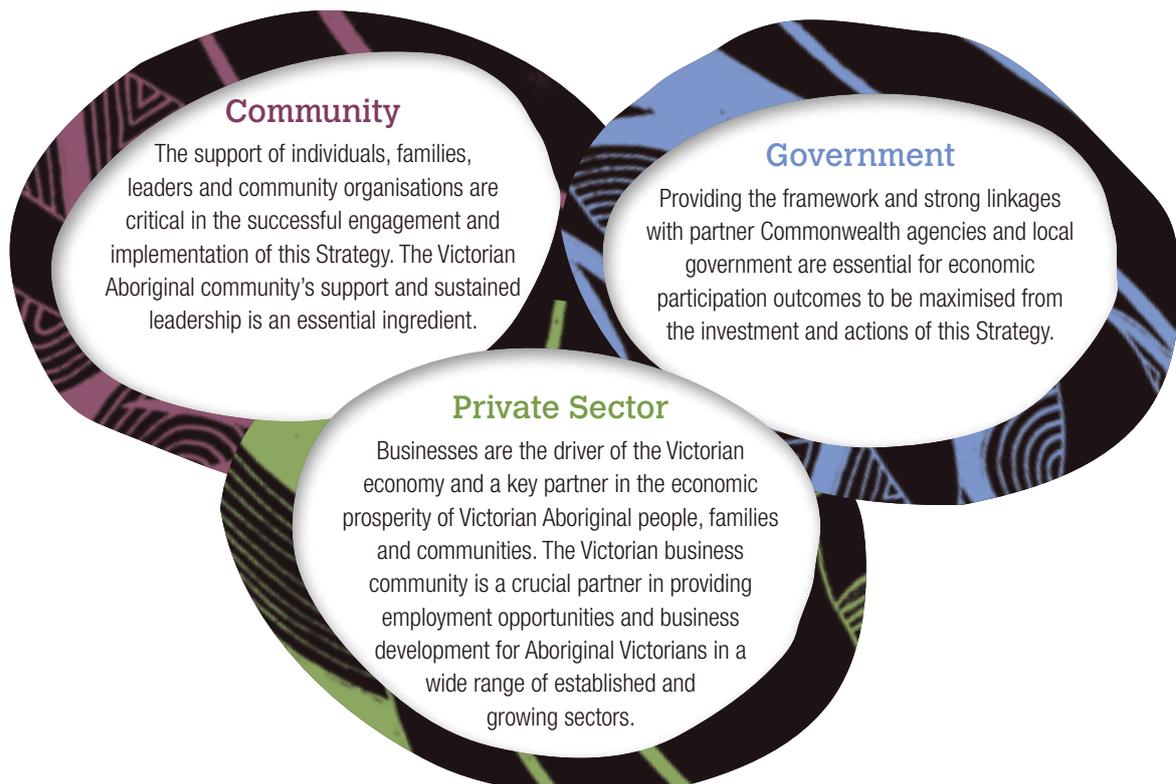
- 1. Improving Aboriginal Victorians' access to services that are available to all Victorians** – in education, training and employment, and business support. This will include specifically targeted programs to build access to these services. This is the primary responsibility of governments, working closely with service providers.
- 2. Building new partnerships between Aboriginal Victorians and other sectors** – private and philanthropic, governments and community, to provide more choice and opportunities, more sustainable jobs and businesses and to build wealth. This is a shared responsibility of governments, community and the philanthropic and private sectors.
- 3. Driving delivery through strong leadership structures** – all sectors have a role to play, and successful implementation will depend on strong leadership and clear accountability within government and across industries.

Partnerships and Accountability

Aboriginal communities, the private sector and governments will work together to develop partnerships that deliver successful economic outcomes.

The Strategy will be led by the Minister for Aboriginal Affairs and the Minister for Employment and Trade; Tourism and Major Events; Innovation, Services and Small Business.

Action of Victorian Government departments will be driven by the Secretaries' Leadership Group on Aboriginal Affairs. The Secretaries' Leadership Group comprises all Secretaries of Victorian Government departments. It is charged with whole of government delivery of government initiatives in Aboriginal affairs, including directing departmental resources to meet priorities.



Victorian Aboriginal Economic Board

To harness the expertise, guidance and capabilities of all sectors of the economy, a high level board will be established to provide Ministers and the Secretaries' Leadership Group on Aboriginal Affairs guidance to deliver and progress the Strategy. The Victorian Aboriginal Economic Board will be appointed by the Ministers and will include members from the relevant sectors and Aboriginal business leaders.

Commercially focused governance arrangements are needed for commercial activities. Board members will be appointed for the skills and experience they can bring to the table. This will ensure that the Strategy is supported and driven by strong leadership that can bring specific expertise and advice to deliver the Strategy's vision.

Primarily, the Victorian Aboriginal Economic Board will work to:

- champion industry agreements to build employment and business opportunities for Aboriginal Victorians
- identify and review landmark projects and options for leveraging resources and other supports, for consideration by both Ministers
- identify best practice education, training, employment and business strategies, programs and activities, and advise Ministers of their suitability for Victorian circumstances
- identify and provide advice on barriers to Aboriginal economic development
- champion Victorian Aboriginal economic related initiatives, so as to attract and leverage increasing support from a range of support programs and potential investors.

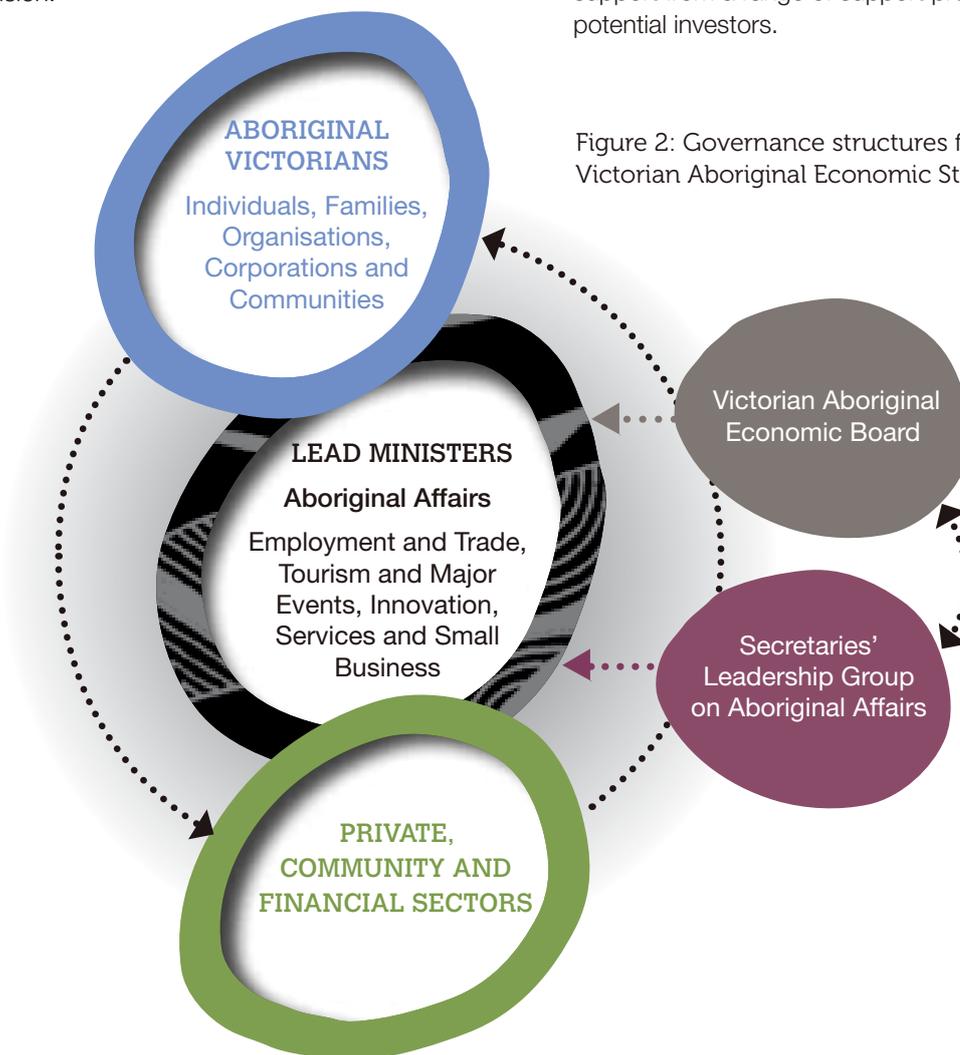


Figure 2: Governance structures for the Victorian Aboriginal Economic Strategy

5. Clear Goals and Key Outcomes

This Strategy sets three clear goals, each with key outcomes that represent factors contributing to economic prosperity.

Goal 1: Build foundations and aspirations for jobs and business throughout life

- Young Aboriginal people complete education with the skills to gain employment and foundations to pursue successful economic endeavours
- Strong communities and families that support young people to aspire to education and economic success
- More people accessing opportunities for learning throughout life and more role models to inspire the next generation of Aboriginal employees, employers and entrepreneurs.

Goal 2: More job opportunities across the economy

- Increased labour force participation
- More Aboriginal people in higher income bands
- More access to a greater diversity of jobs across all sectors, especially growth sectors.

Goal 3: Grow Aboriginal enterprise and investment

- Growth in the number, size, profitability and diversity of businesses
- Growth in the number of sustainable Aboriginal community and social enterprises
- More private sector, NGO and philanthropic support for Aboriginal enterprise and investment.

Each goal is described in greater detail, together with an outline of the challenges, vision and key actions to achieve enduring change and successful economic outcomes. Lead departments to advance and implement or coordinate effort under each action are also identified.

The actions position government to support delivery of the Strategy, working with sectors.

Headline Actions

This Strategy has a number of priority actions to meet the vision, goals and outcomes. The six headline actions are:

- Achieving strong education foundations, guided by an integrated Aboriginal education strategy
- Guaranteeing every Aboriginal student who completes Year 12 a package of individual case management and career services assistance, where required, to support that student find a job or a pathway to a job
- Leveraging existing programs and services to strengthen business support
- Strengthening Aboriginal organisations access to State Government procurement opportunities
- Enabling viable Aboriginal community organisations to leverage their assets for economic growth
- Brokering partnerships with private and financial sectors and actively support landmark projects

GOAL 1: Build foundations and aspirations for jobs and business throughout life

KEY OUTCOMES TO BE ACHIEVED UNDER GOAL 1

Young Aboriginal people complete education with the skills to gain employment and foundations to pursue successful economic endeavours

Strong communities and families that support young people to aspire to education and economic success

More people accessing opportunities for learning throughout life and more role models to inspire the next generation of Aboriginal employees, employers and entrepreneurs

The challenge, commitments and outcomes

Strong education and skills are key enablers for gaining a job, securing financial independence and building wealth and economic security.

In 2010-11 the government invested \$12 billion in Victoria's education system to deliver quality education outcomes for all Victorians, with an estimated \$200 million directed towards Aboriginal students. A further \$500 million was spent on building skills and training of all Victorians, with an estimated \$8.5 million of this directed towards Aboriginal Victorians.

With the forecast population growth, the number of young Aboriginal people in Victorian kindergartens, schools and VET settings will increase over the course of this Strategy. The challenge is to deliver quality education outcomes and ensure young Aboriginal people regardless of their circumstances gain strong foundations to secure a job or pursue successful economic endeavours over their lives.

The VAAF targets in early childhood development, education and training reaffirm the government's strong commitment to build strong foundations and aspirations for jobs and business throughout life:

- by 2014, the gap between Aboriginal and non-Aboriginal 4 year old children having access to a high quality kindergarten program will be closed
- by 2018, halve the gap for Aboriginal students in reading, writing and numeracy
- by 2020, halve the gap between the Year 12 or equivalent attainment rates of Aboriginal and non-Aboriginal 20-24 year olds.

Young Aboriginal people complete education with the skills to gain employment and foundations to pursue successful economic endeavours

The earlier education starts and the longer it is sustained, coupled with solid achievements, the higher the likelihood that a person will complete Year 12 with the necessary skills and knowledge to pursue further education and economic opportunities.

In Victoria, kindergarten and school enrolments of Aboriginal children have been increasing. More students are staying at school to Year 10, with the apparent retention reaching 95 per cent in 2011. However, the educational achievement of Aboriginal students requires attention. While there is evidence of improvement, Aboriginal students consistently achieve lower NAPLAN results compared to non-Aboriginal students. This gap dramatically increases as students move from Year 3 through to Year 9.

Further, there is cause for concern in the declining proportion of Aboriginal students that consistently achieve at higher levels for reading and writing over the course of their education, as evidenced by NAPLAN results and shown in Table 2.

Table 2: Percentage of Aboriginal students in the top two NAPLAN bands for reading and numeracy, Victoria, 2012

Year	Reading	Numeracy
Year 3	25.6	15.4
Year 5	11.3	8.4
Year 7	10.2	8.1
Year 9	5.9	5.3

Source: NAPLAN National Report, 2012

Without strong foundations in literacy, writing and numeracy, engagement and achievement in senior secondary years cannot be achieved. While apparent retention rates from Years 10 to 12 have increased in recent years, only 58 per cent of Aboriginal students remained to Year 12, compared to 82 per cent of non-Aboriginal students in 2011.

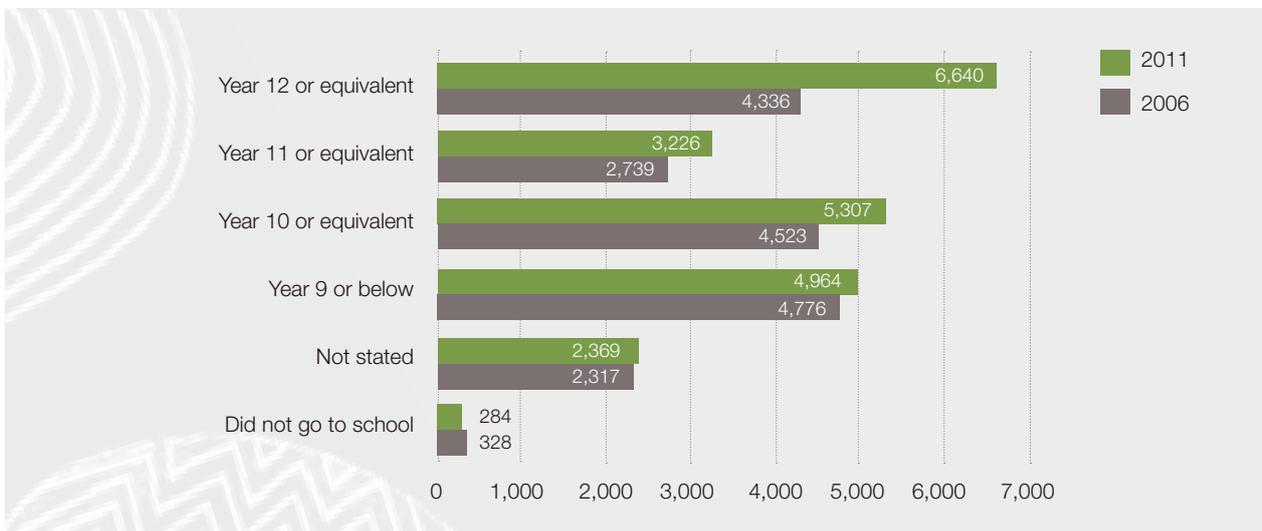
For those Aboriginal students who stay in school, Year 12 completion rates are generally comparable with their non-Aboriginal peers and are more likely to go onto tertiary study. With strong evidence that students who complete Year 12 are more likely to have wider and better career opportunities, it is essential that priority be given to building strong foundations and engaging Aboriginal students so that more complete Year 12. Figure 3 shows the growth in highest year of school completion between 2006 and 2011.

For those Aboriginal students who leave school early, the pathway back into education is usually through the VET sector. In 2011, approximately 2,400 Aboriginal Victorians aged 20-64 were

working towards a Certificate III or above in the VET sector and 572 Aboriginal Victorians completed a Certificate III or above qualification, which represents a threefold increase since 2002. This highlights the importance of VET as an alternative educational pathway for young Aboriginal people to achieve a foundation qualification.

The transition of disengaged young Aboriginal people back into education and training, and from training to employment and lifelong learning requires particular focus. A key challenge for the education sector is improving the rate at which Aboriginal students progress through compulsory education, transition to higher qualifications, university and employment, as a pathway to an economic opportunity and success.

Figure 3: Numbers of Aboriginal students aged 15 years and over by highest year of school completed, Victoria, 2006 and 2011



Source: 2006 Census Community Profile Series and 2011 Indigenous Profile, ABS.
 *Note: this data source includes people still attending primary/secondary school.

Strong communities and families that support young people to aspire to education and economic success

Community Elders and many Aboriginal people recognise that the achievement of strong education, training, employment and business outcomes are critical to improving the quality of life and overall strength of their families and community. Expectation of achievement is a powerful contributor to success in education, building aspirations and the drive for economic self-sufficiency.

There is growing evidence that Aboriginal students who are expected, encouraged and supported to aim high, stay in school and achieve. Teachers and other leaders in the education system, Elders, positive role models and families are critical for building Aboriginal students' expectations. This includes an aspiration to complete Year 12 as a foundation for further economic opportunity, and is reflected in the government's commitment to guarantee every Aboriginal student who completes Year 12 a package of individual case management and career services assistance, where required, to support that student to find a job or a pathway to a job.

More people accessing opportunities for learning throughout life and more role models to inspire the next generation of Aboriginal employees, employers and entrepreneurs

Strong foundation skills and opportunities underpin a drive for lifelong learning, higher skill development and sustainable employment and successful business ventures. Strong role models and supportive employers play a key role in building people's access to learning opportunities throughout their lives.

As the Victorian economy grows and restructures over the medium to long term there will be more opportunities for Aboriginal people to secure jobs and realise business opportunities in growth sectors of the economy. This will require new levels of adaptability and flexibility supported through lifelong learning. Strong skills in business planning, financial management, corporate governance and contract management are all important for starting and growing a business.

For Aboriginal people experiencing disadvantage, particularly those in or exiting the child protection, justice and homelessness systems, the ongoing and lifelong acquisition of knowledge and skills brings greater economic opportunities including a greater ability to:

- manage finances
- have secure housing
- move from income support to sustainable employment
- leverage income and assets to generate financial independence and security and intergenerational economic prosperity.

Priority Actions

Priority actions to build foundations and aspirations for jobs and business throughout life

1. An education system that delivers strong learning outcomes and builds aspirations guided by a new integrated Aboriginal education strategy

An integrated approach to improving the education outcomes of Aboriginal students will strengthen the responsiveness, effectiveness and accountability of all education providers in Victoria. This approach starts from pre-school and continues through secondary school, VET and university, through to adult learning.

The government will release a new integrated Aboriginal Education Strategy. This will focus on actions to strengthen the broader education system to deliver better outcomes for Aboriginal children, young people, adults, families and communities, including those who are most vulnerable. Importantly, the new Strategy will set the platform for delivery of the government's goal to build strong foundation skills for employment and business involvement and provide for lifelong learning.

To enable improved Aboriginal economic outcomes, the integrated strategy will support the delivery of:

- increased access and participation by Aboriginal children to three year old and four year old kindergarten
- improved literacy and numeracy attainment consistent with VAAF and COAG close the gap targets
- stronger foundations and aspirations of educators, families and students so that more students are equipped to complete Year 12 and progress their career pathways
- support for students to make the successful transition from Year 12 to further training in VET pathways and in higher education
- broad-based strategies to bring Aboriginal young people who have become disengaged from the education system back into education and training
- stronger inclusion of Aboriginal families and communities in preschool and school environments through respect and recognition of their aspirations
- working with the Commonwealth Government and employers to implement school based traineeships.

Lead agency: DEECD

Bubup Wilam for Early Learning Centre

Providing a culturally inclusive early childhood setting in the Whittlesea area, the Centre has actively engaged Aboriginal parents and families in the design and delivery of successful early years learning programs. This has increased kindergarten access and participation and provided skilled and sustainable employment opportunities for Aboriginal people and built a climate of aspiration.

'Bubup Wilam' means Children's Place in Woi Wurrung language.



2. Actively support young people to transition from education to training and employment through partnerships with the Commonwealth and other sectors

The Victorian Government has established partnerships to support education, training and economic outcomes for young Aboriginal people. This includes partnerships with Aboriginal community, education providers and the Commonwealth Government.

Specifically, the government will:

- guarantee every Aboriginal student who completes Year 12 a package of individual case management and career services assistance, where required, to support that student find a job or a pathway to a job
- encourage partnerships between local organisations, the community and private sectors to support young Aboriginal people to remain in the education and training system and connect to local economic opportunities
- renegotiate funding with the Commonwealth to support successful transitions for Aboriginal students currently funded under the National Partnership on Youth Attainment and Transition, noting an evaluation to understand what works best and to identify gaps is underway and will inform future partnerships with the Commonwealth
- seek improvements in the operation of Commonwealth employment programs offered in Victoria, and in particular that the Job Services Australia employment services model should also recognise the important contribution that Aboriginal organisations play in enabling people to obtain the skills they need to identify and secure sustainable employment opportunities, acknowledging that for some people, additional support is required to meet transport, housing and health issues
- support the delivery of culturally responsive leadership and mentoring initiatives for young Aboriginal people and emerging leaders in the community
- support access to initiatives and programs that build necessary life and vocational skills that are critical to economic success.

Lead agency: DEECD, in partnership with OAAV (DPC) and the Commonwealth Government

Mildura Rural City Council Employment Program

In partnership with Victoria Police and the Local Aboriginal Education Consultative Group the Mildura Rural City Council is delivering the Mildura Aboriginal Employment Program.

Up to 30 Aboriginal people are being supported to gain sustainable employment, with an emphasis on young people aged 15 to 24 years and industries with skills shortages.

Local industries involved include mining, youth work, horticulture, people and culture sector, retail and transport and distribution.

A key to success are the formal linkages with the Mallee District Aboriginal Service, Aust-link Mildura, Australian Retail Association and Fishers Supermarkets.





The challenge, commitments and outcomes

For many Victorians securing and sustaining a job is the main way to earn an income, build wealth and financial independence and improve quality of life. This Strategy gives focus to generating more job opportunities for Aboriginal Victorians, tackling unemployment and ensuring equity of opportunity for Aboriginal people. As part of this, working closely with the Commonwealth Government is critical, given their responsibility for the majority of employment and job placement programs.

The VAAF targets reaffirm the government's strong commitment to growing job opportunities for all Aboriginal Victorians across the economy:

- by 2018, halve the gap in employment outcomes between Aboriginal and non-Aboriginal Victorians, as measured by the employment to population ratio, unemployment rate and the labour force participation rate
- by 2018, employment of Aboriginal people in the Victorian public service will increase to 1 per cent of total employees.

Increased labour force participation

Based on ABS labour force data the rate of employment among Aboriginal people in Victoria has been fairly steady. In 2011 approximately 48 per cent of Aboriginal Victorians aged 15 years and over were employed, representing some 14,000 people. While the labour force participation rate has improved, there is scope for further improvement. At 19 per cent (2,800 people), the rate of unemployment remains high.

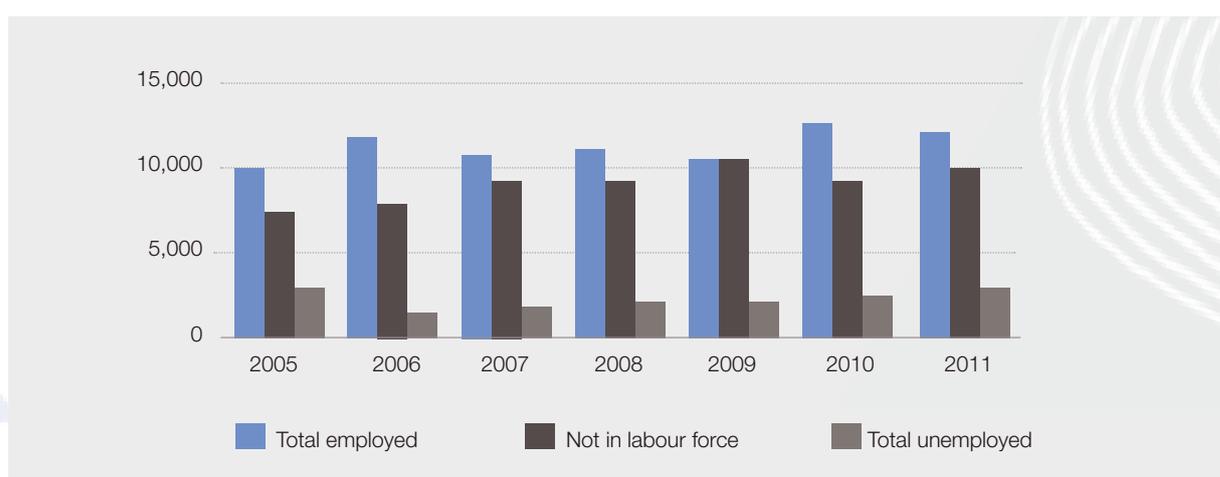
The highest number of employed Aboriginal Victorians was in the 15 to 44 age groups for both men and women. However, there were a large number of 15 to 24 year olds not in the labour force. While many in this age group are likely to be in education or training or have parenting responsibilities, closer consideration is required to ensure a focus on Aboriginal young people making the successful transition to employment.

Many Aboriginal people who are undertaking training are choosing growth industries, providing a stronger basis for securing a job. However there remain lower numbers of students graduating or a lack of appropriate employment close to where those with qualifications live.

The geographical locations of industries expected to incur skills shortages often align with locations that have large, growing and youthful Aboriginal populations. This presents an opportunity for place based approaches that better link education and training and employment placement strategies for jobseekers.

To increase the number of Aboriginal Victorians working in industries with skill shortages, the rates of participation and completion of education and training that deliver the right skill sets will need to be of particular focus. Training in community services, social assistance, health services, building and construction are especially important, given the high growth expectations of these industries.

Figure 4: Labour force characteristics of Aboriginal Victorians aged 15 and over, 2005-2011



Source: ABS Labour Force Characteristics of Aboriginal and Torres Strait Islander Australians, Estimates from the Labour Force Survey, 2011

More Aboriginal people in higher income bands

Higher skills improve opportunities to earn higher incomes and provide individuals with greater choice. The acquisition of higher skills provides the ability to:

- move from entry level jobs to higher paid employment
- adapt to economic restructuring and the growth of knowledge-based jobs
- access a more diverse range of jobs.

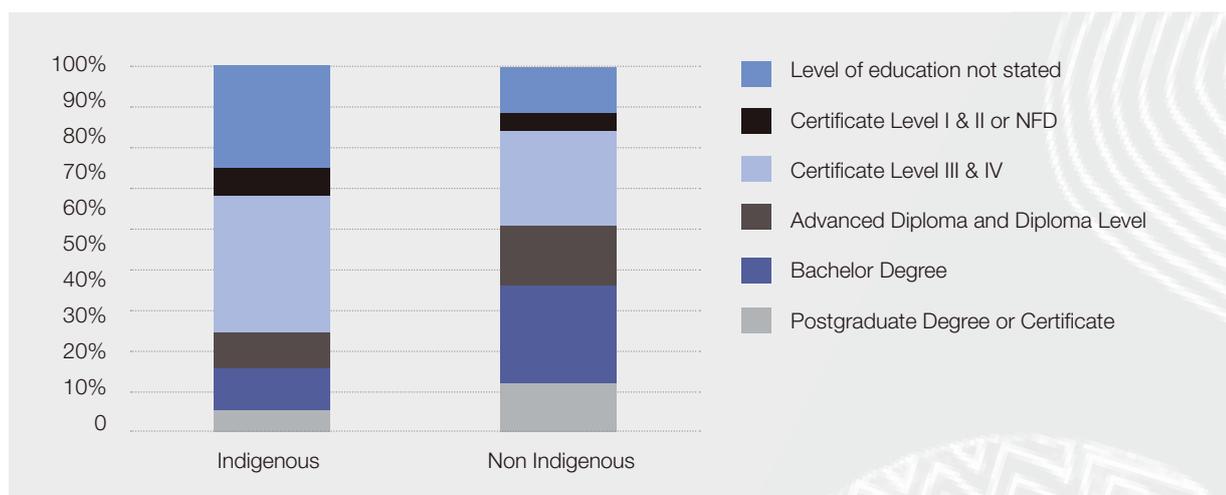
In recent years the qualification profile of Aboriginal Victorians has improved. This will need to increase further so that Aboriginal Victorians are better able to compete for a more diverse range of jobs in the industry of their choice.

Figure 5 compares qualification levels of Aboriginal and non-Aboriginal Victorians in 2011. These figures reaffirm the need to focus on the achievement of higher level qualifications for Aboriginal Victorians if they are to access higher income opportunities.

According to the 2011 Census, 15 per cent of Aboriginal households in Victoria have a weekly gross income of more than \$2,000 compared with 25 per cent of other households. The median Aboriginal household has a weekly income in the range of \$800–\$999 compared to the median non-Aboriginal household which is in the range of \$1,000–\$1,249.

This does not reflect the true imbalance as Aboriginal households tend to be bigger (e.g. 17 per cent of Aboriginal households have 5 or more people living in them compared to only 10 per cent of non-Aboriginal households). Increased employment in higher paid occupations is critical to generating the levels of income required by Aboriginal Victorians for financial security and to build wealth.

Figure 5: Highest qualification level achieved by Aboriginal and non-Aboriginal Victorians aged 15-64, 2011



Source: ABS Census of Population and Housing, 2011

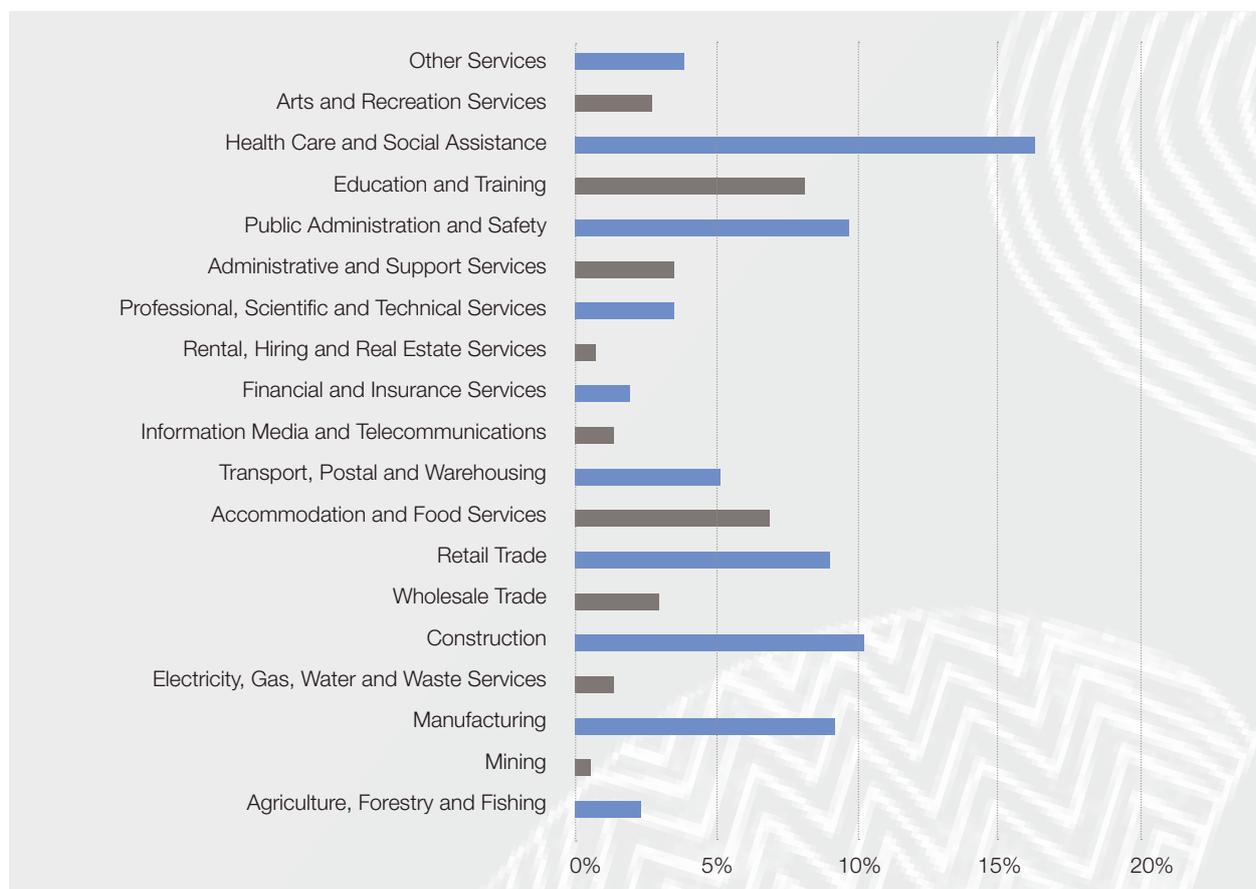
Access to a greater diversity of jobs across all sectors, especially growth sectors

Services industries make up the majority of activity in Victoria's economy and encompass a diverse range of sectors, from retail and hospitality, research and development, transport, distribution and logistics through to legal and financial services. In many industries there are only minor differences in the proportion of Aboriginal people employed when compared to the wider Victorian population. Victoria's health sector is a large and rapidly growing employer. Importantly, this sector is a key source of employment for Aboriginal Victorians, as can be seen in Figure 6.

This Strategy is aimed at ensuring greater choice and more opportunity for Aboriginal Victorians across all areas of the economy both now and into the future.

Given the forecast growth of the health care and social assistance industries, there will be significant opportunities for employment for Aboriginal Victorians into the future. Other industries and sectors have strong medium term growth prospects, including disability, aged care and allied health services. The retail sector also presents significant opportunity for employment across regional Victoria. These trends underscore increasingly specialised and customised service offering, and the ageing population has increased demand for services.

Figure 6: Aboriginal employment in Victoria by industry, 2011



Source: ABS Census of Population and Housing, 2011

The forecast growth in Victoria for the health care and social assistance sector will require an additional 60,800 workers to 2017-18, demonstrating the potential opportunity across this sector.

Across Victoria there are 89 public health services and 32 of these organisations have 500 staff or more. In addition there are 38 Community Health Services and 23 Aboriginal Community Controlled Health Organisations. These provide professional and entry level positions across the State.

Koolin Balit: Victorian Government strategic directions for Aboriginal health 2012-2022 commits to a stronger public health care sector, which includes viable Aboriginal health organisations. A key priority is to increase Aboriginal recruitment, retention and career pathways within the health sector.

This will see more Aboriginal people working in nursing and midwifery, allied, primary and dental health, health promotion and management positions in the health sector. Specific actions under Koolin Balit include working with larger public health services to commit to Aboriginal Employment Plans and the delivery of traineeships, cadetships and graduate programs. Programs are also sponsored to improve the cultural environment and engagement with Aboriginal communities.

There are also growing opportunities across the community service sector, including in large not for profit organisations and Aboriginal community organisations. Aboriginal organisations play key roles in aged care provision, such as the Aboriginal Community Elders Services Incorporated (ACES) in Melbourne and the Rumbalara Care Complex in Shepparton.

The launch of DisabilityCare in Victoria's Barwon south-west region also offers employment and small business opportunities and the formation of new alliances.

There are growing sectors where more can be done to increase employment opportunities for Aboriginal Victorians. These include information, media and telecommunications, financial and insurance services and rental, hiring and real estate services.

Mallee District Aboriginal Services

Mallee District Aboriginal Services is a key health and community wellbeing provider across the greater Mallee region extending across Victoria and NSW.

With service centres in Mildura, Swan Hill, Balranald and Kerang, and partnerships with local councils, businesses and government agencies, the Mallee District Aboriginal Services is well positioned to continue to deliver a range of benefits to regional communities and the economy.

Aboriginal Pharmacy Assistant Traineeship Scheme

Sponsored by the Pharmacy Guild of Australia and the Commonwealth Government, the scheme aims to support the community pharmacy workforce by encouraging Aboriginal people to enter pharmacy assistant roles, to increase the number of Aboriginal assistants in community pharmacies and establish alternative pathways for Aboriginal students into pharmacy.

The scheme offers incentive allowances of \$10,000 to community pharmacies to support, employ and train an Aboriginal Pharmacy Assistant Trainee.

Priority Actions

Priority actions for more job opportunities for Aboriginal Victorians across the economy

Victorian
Aboriginal
Economic
Strategy

2013-2020

1. Develop and deliver an Aboriginal Employment Action Agenda, refreshed every three years

To better respond and direct effort an Aboriginal Employment Action Agenda will be developed to maximise access to job opportunities.

The Action Agenda will deliver an integrated and strategic approach to growing Aboriginal employment. It will be refreshed every three years to ensure it is current. It will draw on partnerships with the Commonwealth Government, employers, Aboriginal jobseekers and communities. Importantly, it will respond to the needs of local labour markets and industries and the changing skill profile of Aboriginal Victorians.

This Action Agenda will integrate with Victoria's new integrated Aboriginal education strategy and together they will ensure that:

- future growth industries and job opportunities can be accessed by increasing numbers of Aboriginal Victorians with higher skills
- there is a comprehensive response to the transition and labour market needs of young Aboriginal people, addressing issues such as career development, future labour market skills priorities, including self-employment skills, and industry sector analysis and scenario planning
- there are place based approaches to education, training and employment that will provide a pathway into a job
- strategies are developed to address workplace discrimination
- focus is given to employment opportunities in growth industries
- support is provided in priority locations to deliver employment outcomes between local employers and Aboriginal communities
- focus is given to opportunities for Aboriginal people to undertake VET training that is directly linked to a job
- 'stipends' are provided for highly capable students that are located in regional or disadvantaged communities that have a desire, but difficulties in accessing further education
- setting a platform for the establishment and ongoing support of an Aboriginal Employment Resource.

The Action Agenda will better align State and Commonwealth Government effort linking employment opportunities with government funded employment programs and government funded education and training.

Lead agency: DSDBI and DEECD

Latrobe City Council Indigenous Employment Program – Rhonda's Story

New opportunities for successful employment outcomes are being built through partnerships between Latrobe City Council and GippsTAFE and the allied health sector.

The four largest health services in Gippsland – Bairnsdale Regional Health, Central Gippsland Health Service, Latrobe Regional Hospital and the West Gippsland Healthcare Group – have each developed an Aboriginal employment plan.

Strategies to achieve a representative workforce include the progressive roll out of traineeships in a range of areas such as allied health assistance, nursing, administration and dental assistance. They are also working with local education providers to create better pathways into health services to attract Aboriginal students.

After seeing an advertisement for the pre-employment course in Allied Health through the Indigenous Employment Program at Latrobe City Council and GippsTAFE, Rhonda knew that's what she was going to do.

Rhonda travelled from Warragul to Morwell by train each day to complete a Certificate III in Allied Health pre-employment course. She was successful in securing work at Latrobe Regional Hospital and Latrobe Community Health Service in Ambulatory Care.

"The ongoing support I get from Latrobe City Council, my managers at Latrobe Regional Hospital and Latrobe Community Health Service has helped make the transition into work easier than I thought it would be," said Rhonda.



2. Industry Participation Model (VET) delivers more job opportunities

The Victorian Government's Industry Participation Model strengthens the relationship between government and industry to ensure the training market is meeting the needs of employers. The Department of State Development, Business and Innovation (DSDBI) Engagement Model gives focus to whole-of-government networks, and draws on data about skills needs and training market issues. Through engagement with industry the model supports the creation of more job opportunities for Aboriginal people undertaking vocational training.

In addition, information from industry about where there are labour market opportunities, skills shortages or areas of growth will be linked to training pathway information on the Victorian Skills Gateway. This one-stop-shop website will help ensure Aboriginal Victorians will be provided with better information about job opportunities and qualification requirements, strengthening alignment between training and employment outcomes.

This action is complemented by the government's *Refocussing VET in Victoria* which encourages lifelong learning by providing all eligible Victorians with an entitlement to a government-subsidised training place. Under this initiative, eligible Aboriginal Victorians are required to pay only the concession rate so as to reduce potential financial barriers to training. Training providers will also receive extra funding for courses through a 50 per cent loading for training Aboriginal Victorians, and new loadings including a 30 per cent loading for young people who have not completed VCE or VCAL from low socio-economic backgrounds, and a five per cent loading for training delivered outside the metropolitan area.

The Victorian Training Guarantee also makes vocational education and training accessible to people who do not hold a post-school qualification, or who want to gain a higher level qualification than they already hold.

Lead agency: DSDBI and DEECD

School-based apprenticeship with ANZ – Cody's Story

Cody attended GippsTAFE and successfully completed a Victorian Certificate of Applied Learning (VCAL) Foundation. Having adapted quickly to the TAFE learning environment, Cody then completed VCAL Intermediate. Cody travelled long distances each day, demonstrating her commitment to her studies and desire to be successful in her chosen area of study.

Cody was awarded a school-based apprenticeship with ANZ Bank and continued her studies, completing a Certificate 2 in Business through Swinburne TAFE.

Cody now works in the ANZ Bank and is seeking to further her career in this sector.



3. Target support to industries with growth opportunities

The Victorian Government will offer advice and support to businesses about growing their workforce through Aboriginal employment strategies, and on how to engage effectively with local Aboriginal communities. This will be aimed at Victoria's industry sectors that are forecast to grow, such as health and social assistance, professional and technical services, education and training, retail, information, media and telecommunications and financial services.

The government will also investigate and seek to leverage opportunities through procurement, leasing and licensing processes, including the natural resource sectors, to provide for growth in Aboriginal employment opportunities.

Specific focus will be given to:

- increasing Aboriginal employment in industries with strong projected future growth and expansion, especially in health care and social assistance
- supporting skills development, training and work experience programs across all sectors
- assisting employers to improve engagement and connections with Aboriginal communities
- providing opportunity for Aboriginal people in business with export potential to access strategic overseas markets through trade fairs and missions.

Lead agency: DSDBI, in partnership all departments

Crown Resorts

Crown Resorts in Melbourne and Perth are committed to provide real and sustainable employment for Aboriginal people – with a specific commitment to provide 2,000 job opportunities by 2021.

Crown was one of the first employers to sign the Australian Employment Covenant and have worked to meet its commitments and establish a culture change through its Reconciliation Action Plan.

Providing sustainable employment opportunities for Aboriginal employees has been delivered through strong pre-employment programs and learning pathways, with the goal to establish Crown as an employer of choice for Aboriginal people, while building transferrable skills in the hospitality and tourism sector.

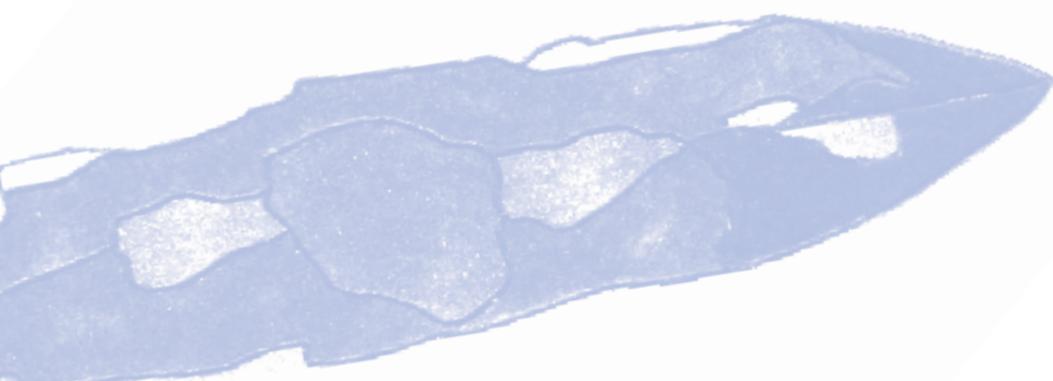
4. Build employment and career development opportunities in the public sector

The Victorian Government has a commitment to increase the rate of employment of Aboriginal people in the public service to at least 1 per cent of the total workforce by 2018. In 2012, 0.8 per cent of people employed in Victorian departments identified as Aboriginal, while only 0.3 per cent of people across the entire public sector identified as Aboriginal.

In 2010, the government released *Karreeta Yirramboi – the Victorian Aboriginal Public Sector Employment and Career Development Action Plan*. The plan's overarching goal is to develop the career prospects of Aboriginal employees and to increase Aboriginal participation in the Victorian public sector workforce.

A comprehensive Toolkit was launched in 2012 to support implementation. The use of this Toolkit will continue to be supported within the public sector and its use extended to develop tailored approaches for the private sector and local government employers, where appropriate.

Lead agency: DSDBI and the State Services Authority (DPC), in partnership with all State agencies





The challenge, commitments and outcomes

Aboriginal involvement in the business sector can take many forms, such as:

- operating a business for economic gain
- having majority ownership and possibly control of a legal entity operating as a business
- holding a board, director or partner position in a business
- having shares in economic entities.

Victoria's prosperity depends on a vibrant business community. Successful businesses have a number of qualities. These include strong leadership, vision, entrepreneurship, a qualified and motivated workforce, strong governance structures and a competitive edge. When employment opportunities are linked with the creation of an Aboriginal enterprise, this can result in greater sustainability, self-determination and wealth creation for Aboriginal communities.

In Victoria there were 900 Aboriginal owner-managed enterprises in 2011, including self-employed people, according to the ABS. These businesses operate in a diverse range of industries, ranging from construction, consulting services, agriculture and transport to manufacturing.

Across Victoria there are many Aboriginal community businesses, many of which are mature in their sectors, having operated for a number of years and offering diverse products and services. These businesses often provide significant benefits to the broader local economies. Many provide the platform for sustained employment and economic participation for local Aboriginal people, increasingly in partnership with private businesses and local councils.

Aboriginal Housing Victoria

With assets valued in excess of \$22 million and an annual turnover of over \$12.5 million, Aboriginal Housing Victoria (AHV) is a significant Aboriginal organisation specialising in the supply of accessible, affordable, and secure social housing.

AHV is the first Aboriginal housing agency to be registered as a housing provider in Victoria and is the largest Aboriginal housing agency in Australia. It has a portfolio of over 1,500 properties under its direct tenancy management. AHV has significant growth prospects.

AHV is committed to building opportunities for Aboriginal people – the majority of its Board members are Aboriginal, as are half of its employees.

Growth in the number, size, profitability and diversity of businesses

The Victorian Government is investing in initiatives to grow more enterprising and innovative Aboriginal businesses and to ensure that Aboriginal people have the skills to offer products and services that are in demand. This includes universally accessible business development programs and services to specifically provide support to Aboriginal businesses in Victoria. Additionally, the government is fostering an environment that builds business and leadership opportunities for Aboriginal Victorians including:

- training and mentoring
- representation on boards and committees
- government and corporate procurement practices
- more collaboration and partnerships with the Commonwealth and local governments, industry and financial sectors.

The Victorian Government is deepening relationships with Victorian business through the DSDBI Business Engagement Model. DSDBI is increasing the number of businesses it works with and the quality of these interactions. The model will result in in-depth contact with more than 12,000 businesses per year in addition to the contact with more than 140,000 small businesses through online services, the Small Business Festival, in workshops and in direct business engagement. The model is:

- helping individual businesses tackle issues constraining their productivity growth
- targeting assistance to promote business growth and market development
- listening to individual enterprises so that we can better develop policies to promote productivity and advocate for such policies at the national level.

Another major focus is international engagement in markets such as India, China and South-East Asia, to increase the market opportunities of local businesses.

The government will also leverage opportunities through procurement processes to provide for growth in Aboriginal employment and supply chain opportunities for Aboriginal businesses. In addition, through the Victorian Government Purchasing Board and Aboriginal Inclusion Action planning, departments and agencies will be encouraged to consider Aboriginal suppliers as part of their market analysis.

The importance of connecting government departments and agencies to Victoria's diverse Aboriginal business suppliers is recognised. The Victorian Government's Aboriginal Business Directory and other business accreditation services, provide an online service, promoting local supply chains and Aboriginal business development.



Growth in the number of sustainable Aboriginal community and social enterprises

Wealth generation is central to building future prosperity and addressing intergenerational disadvantage.

The main sources of economic wealth for Aboriginal Victorians are home ownership, personal wealth and community wealth.

Many Aboriginal Victorians have the aspiration to own a home where they can create a secure and stable environment for their families and a source of financial security and independence for current and future generations.

However, this aspiration may be considered unattainable due to a variety of factors, including lower household incomes of Aboriginal families; fewer opportunities for intergenerational wealth transfer due to the legacy of past government practices; and less experience within the community of working with financial institutions.

Through this Strategy, the Victorian Government will seek to increase the potential benefits of the Commonwealth Government's packages aimed at increasing Aboriginal home ownership in Victoria. The State will also work with other stakeholders to improve access to finance and ensure awareness of existing programs that offer genuine support to Aboriginal people and families to own their own home.

The government also acknowledges there are social and community finance options that support particular types of business enterprise. Aboriginal entrepreneurs have strong proportional representation in some of the key service industries that are becoming more significant in the Victorian economy.

Aboriginal community organisations and Traditional Owner corporations are also important Aboriginal owned businesses both in terms of employing significant numbers of Aboriginal employees and also increasingly for the operation of a range of profitable ventures.

Wathaurong Aboriginal Co-operative Geelong

The Wathaurong Aboriginal Co-operative is a diverse business that delivers a range of community services to the local Aboriginal community and operates a successful glass making business.

The Co-operative provides childcare, justice, health, community engagement programs and home and community care services. Wathaurong also provides an Aboriginal language program and cultural training to non-Aboriginal service providers.

Seventy per cent of its workforce is Aboriginal and the Co-operative supports a community volunteer program to promote engagement and skills development as an entry point into the workforce.

The Co-operative is in tune with emerging growth opportunities. For example, it is strengthening its organisational capacity and workforce to tap into new opportunities arising in the Barwon south-west region from DisabilityCare Australia.

Profits from Wathaurong's business activities are directed back into the Co-operative for the benefit of the local Aboriginal community.



More private sector, NGO and philanthropic support for Aboriginal enterprise and investment

Private and other non-government sectors play a lead role in shaping Aboriginal business development in Victoria. Through partnering, more opportunities can emerge to build sustainable Aboriginal business growth.

There are many tools that can strengthen business activity, including coaching and mentoring, that directly transfers commercial and organisational governance expertise to Aboriginal businesses and aspiring entrepreneurs. Joint ventures and partnerships are also a model for capitalising on areas of competitive advantage.

Increased philanthropic investment can complement government funding and programs by developing partnerships with individuals and organisations to build capacity, provide seed funding for innovative ideas and fill niche gaps. This type of investment can also help to initiate partnerships with other potential investors to ensure that successful organisations have the funds, capacity and expertise to build on their achievements.

Total philanthropic spend from trusts and foundations in Australia exceeds \$1 billion each year, but only a small proportion is allocated to projects with Aboriginal communities (*Rio Tinto Aboriginal Fund - A worthwhile exchange: a guide to Indigenous philanthropy, 2011*). Even less of this funding is directed to urban and regional Aboriginal communities.

Rumbalara, Watersun Constructions and Koori Employment Enterprises deliver infrastructure, jobs and opportunity in Shepparton

Through collaboration, Rumbalara Aboriginal Co-operative, Watersun Constructions, Rural Housing Network Limited with Koori Employment Enterprises (KEE), the Aboriginal community has accommodation options for its Elders and more local Aboriginal people have built skills and sustained employment opportunities.

Together, Watersun and Rumbalara developed new healthcare and community facilities. The \$17.2 million project was funded by the Commonwealth and Victorian Governments and enabled the construction of a Health Services Clinic, an Activity Centre, a 31 bed Elder Care Facility, 19 Independent Living Units and the redevelopment of medical and administration buildings.

Through the construction of these projects, Watersun engaged more than 50 Aboriginal employees; both directly and through sub-contractors and 10 apprenticeships were created. Another 30 permanent Aboriginal jobs have been created by Rumbalara in the operation of the Elder Care facility.

Together the organisations established mentoring, training and ongoing procedures that ensured that all employment opportunities were sustainable, and laid the foundations for further employment of the Aboriginal workforce.

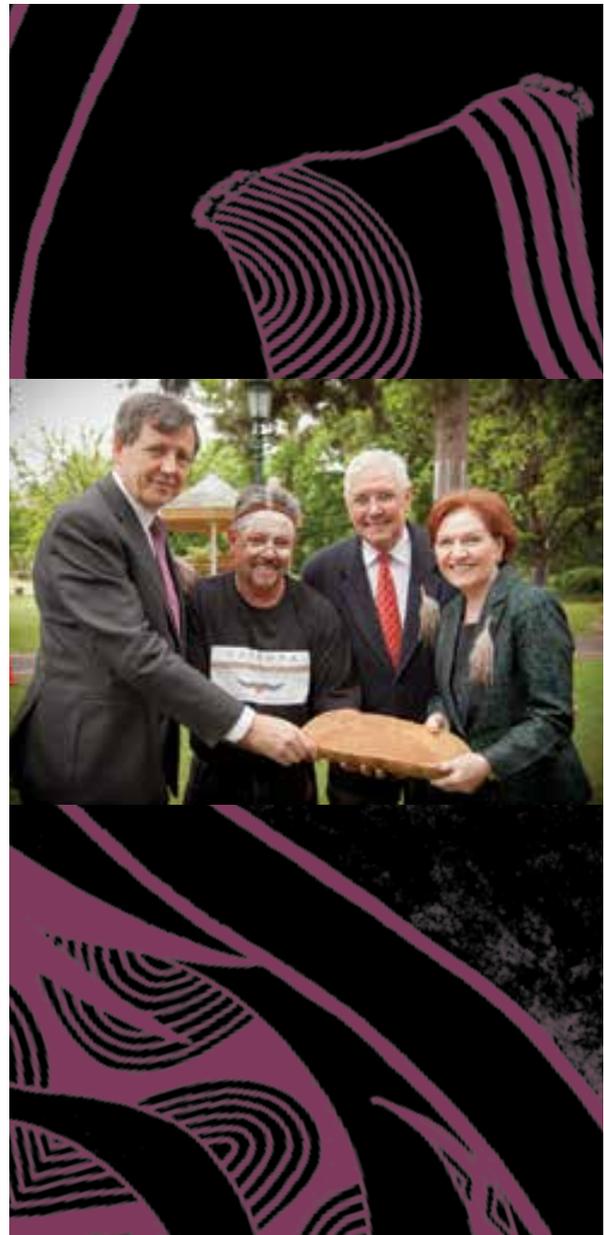


Enhancing economic development outcomes from native title settlements

Victoria's *Traditional Owner Settlement Act 2010* is an alternative to the Commonwealth's native title processes and outcomes involving the Federal Court. Victoria's approach is to redirect funding from legal transaction costs into an economic base for Traditional Owner corporations to enable the corporations to achieve financial independence over a 20 year time horizon.

The settlement package seeks to achieve this by:

- providing early grant funding to build the capacity of corporations to develop strong governance arrangements that enable economic planning and investment decisions once a settlement is reached
- establishing a 'core operations' annuity for approximately 20 years through the Victorian Traditional Owner Trust (the Trust) that supports each corporation to operate with professional support, executive and administrative staff
- making available seed capital in land or cash (either directly to the corporation or through the Trust), conditional on the achievement of capacity and investment planning milestones, so that corporations can invest in income generating assets and business ventures
- leveraging economic opportunities from other unique parts of the settlement package
- setting the basis for partnerships to be established between the corporation and government and private organisations to enable commercially viable business development, and where appropriate, support individuals and families that are members of Traditional Owner Groups to establish their own businesses.



Priority Actions

Priority actions to grow the number and scale of Aboriginal businesses to drive economic prosperity, including wealth generation

1. A reformed and more integrated approach to boosting business opportunities

The government has multiple levers to boost business opportunities for Aboriginal entrepreneurs. These need to be coordinated and better focused. To boost business opportunities the government will:

- integrate Aboriginal business support between Victorian Government and Commonwealth agencies
- support small Aboriginal businesses with potential to grow to become medium sized enterprises
- strengthen access by Aboriginal businesses to broader business programs including workshops to strengthen business planning, financial management and marketing and export development
- promote opportunities for Aboriginal businesses to compete for procurement contracts, including those businesses that have registered with networks such as the Victorian Government's Aboriginal Business Directory and Supply Nation
- strengthen access to capital and microfinance by facilitating partnerships with financial institutions
- support Aboriginal businesses and Aboriginal community organisations with high growth potential and responsible governance to increase their commercial activity in growing sectors of the Victorian economy and overseas markets such as India, China, and South-East Asia.
- improve the financial literacy of business operators and those aspiring to build a business
- enable the development of Aboriginal businesses in primary industries and natural resource management through implementation of initiatives such as the *Victorian Timber Industry Action Plan*, the *Aboriginal Fishing Strategy* and opportunities to access Crown lands and national parks for commercial purposes by Aboriginal enterprises.

Lead agency: DSDBI in partnership with all departments and Parks Victoria

2. Leverage community controlled assets to build enterprises, wealth and jobs

Many Aboriginal community organisations have access to land and assets, which could be leveraged to build business ventures and generate revenue and build wealth. In Victoria, as a legacy of past practices, there are a number of properties owned by Aboriginal organisations that the Minister for Aboriginal Affairs holds a "first mortgage" over. These limit the property rights of organisations, impede their economic development, can result in underutilised assets and unnecessarily involve governments in commercial matters of organisations.

The Victorian Government recognises the importance of Aboriginal organisations to operate their business at arm's length from government. To facilitate this, the Victorian Government will:

- commence a staged process for removing government interests from property titles over the life of the Strategy, subject to due diligence requirements being met by Aboriginal organisations. Due diligence requirements will include for example, seeking and assessing an organisations' most recent audited financial accounts, annual reports and certificate of incorporation
- seek a similar response from the Commonwealth Government, whose practice has involved applying a "caveat" over properties, with similar effect. Options to progress this will be explored bilaterally.

Lead agency: OAAV (DPC), in partnership with the Commonwealth

3. More opportunities through Aboriginal Tourism

Tourism is a significant economic driver in Victoria. Forecasts show that 70 per cent of tourism expenditure growth by 2016 will come from international markets. In 2011, visitors from China overtook New Zealand and are now the number one international market for Victoria, both in terms of visitor numbers and expenditure.

Aboriginal tourism in Victoria has been established for many years, with existing experiences predominantly focusing on cultural tourism in Melbourne and regional Victoria.

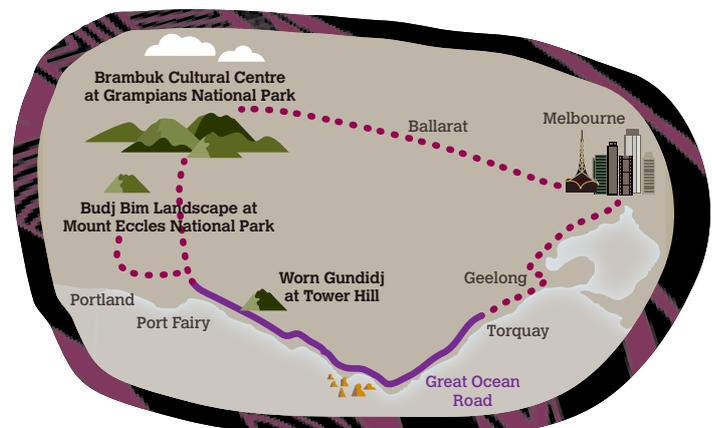
A ten year *Victoria's Aboriginal Tourism Development Strategy* will be released to increase employment and business opportunities across the sector for Aboriginal Victorians.

Through the strategy, Aboriginal Victorians will have greater opportunity to participate in and benefit from the broader tourism industry through business ownership, joint ventures, training and skill development and employment. Business ventures will enable Aboriginal tourism in Victoria to grow as a contemporary and accessible experience. This includes stand alone experiences and as an integral component of broader tourism products. There is also the opportunity to leverage current attractions and develop new experiences in regional Victoria.

The *Aboriginal Tourism Development Strategy* will seek to capitalise on growth sectors as outlined in *Victoria's 2020 Tourism Strategy*, which highlights fast growing markets in Asia and the development of regional tourism and dispersal of visitors to regional Victoria.

Key areas of focus for Aboriginal tourism development includes consolidation of the existing array of Aboriginal tourism products in Melbourne, and capitalising on activities in regional Victoria, such as the Brambuk Cultural Centre at Halls Gap and Aboriginal experiences at Tower Hill, along the Great Ocean Road offered by Worn Gundidj.

Lead agency: Tourism Victoria, in consultation with OAAV and Arts Victoria (DPC) and Parks Victoria



Worn Gundidj – creating jobs and unique visitor experiences at Tower Hill

WG Enterprises, also known as the Worn Gundidj Aboriginal Cooperative, commenced operations in 1992 in Warrnambool with a charter to provide work for unemployed Aboriginal people in community managed activities, training, mentoring and work placement, and to assist people to acquire employment skills.

In 2002, WG Enterprises started providing visitor experiences, tourist information and items for sale at Tower Hill Wildlife Reserve, with the support of many local stakeholders, including Parks Victoria.

WG Enterprises is an important contributor to economic activity in the south west region, offering nationally recognised tourism products at the western end of the Great Ocean Road, while promoting Aboriginal culture both in Australia and abroad.

As part of this, WG Enterprises has created new employment opportunities for Aboriginal jobseekers by leveraging its networks and in partnerships with the region's business community. These alliances include the Warrnambool City Council, Moyne Shire Council, Shipwreck Coast Tourism, as well as several tour operators that cater to national and international tourists.



4. Realise more economic opportunities from recognition of Traditional Owners

Access to land and resources is a key aspect of wealth generation. Native title settlements and the recognition of Aboriginal people's cultural heritage can play a role in providing new economic opportunities for Traditional Owner corporations and Registered Aboriginal Parties.

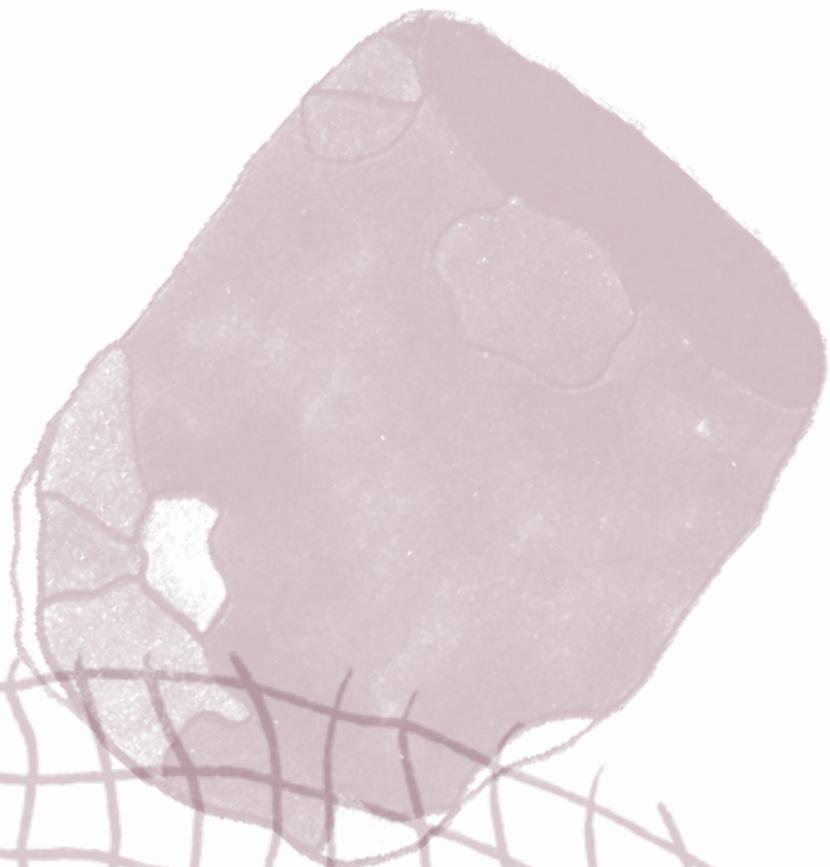
Native Title settlements can provide early and long-term investment in the corporate capacity of Traditional Owner corporations. As well as seed capital, there can be support for individuals, families and organisations seeking to leverage opportunities from settlements to establish profitable businesses, generate employment opportunities for their community, and build partnerships with others with the expertise or capital to further create wealth.

Recognition of Registered Aboriginal Parties enables roles and responsibilities in cultural heritage management and protection. Work is underway to provide opportunities for more sustainable income streams.

Alone these processes are not a guarantee of success for commercial activities. Good governance, education, training, suitable infrastructure, commercial expertise and access to investors are also critical to success.

Over the course of this Strategy the government will facilitate business development opportunities for Traditional Owner corporations and Registered Aboriginal Parties, their subsidiaries and other community members with business aspirations.

Lead agency: DSDBI, DOJ and OAAV (DPC) in consultation with DEPI



6. Landmark Projects

The challenge, commitments and outcomes

There is a real desire among Aboriginal people, entrepreneurs and communities for a new approach to sustainable economic development – an approach that leverages the competitive advantage that Aboriginal people can bring, and integrates this with strong operational and financial management, business and governance practices that together result in ongoing viable and vibrant enterprises.

Resource and capability gaps can get in the way of a good business idea and its realisation, as can excessive red tape and fragmented delivery of advice, services and programs by governments and other organisations that aim to support Aboriginal economic development. Through this Strategy, government and other efforts will be better integrated, to build the capacity of Aboriginal organisations where needed and to better integrate and leverage the supports provided to stimulate Aboriginal economic activity.

However, there is also a desire to go further. The government is aware of the increasing goodwill and support for Aboriginal economic development from private and public sector organisations and interest from philanthropists and social investors in investing in Aboriginal projects. One way to make the best use of this goodwill and available support that is consistent with Aboriginal community aspirations is through the Landmark Projects initiative. Under this Strategy, this initiative will foster and demonstrate success, build confidence and create momentum for more Aboriginal jobs and business opportunities.

Landmark Projects will be those projects that have high indications for success and provide the scope to deliver integrated outcomes to the Aboriginal community through skills, jobs and enterprise. It is intended that a small number of Landmark Projects would be supported under a partnership model that delivers commercial and community benefits to investors.

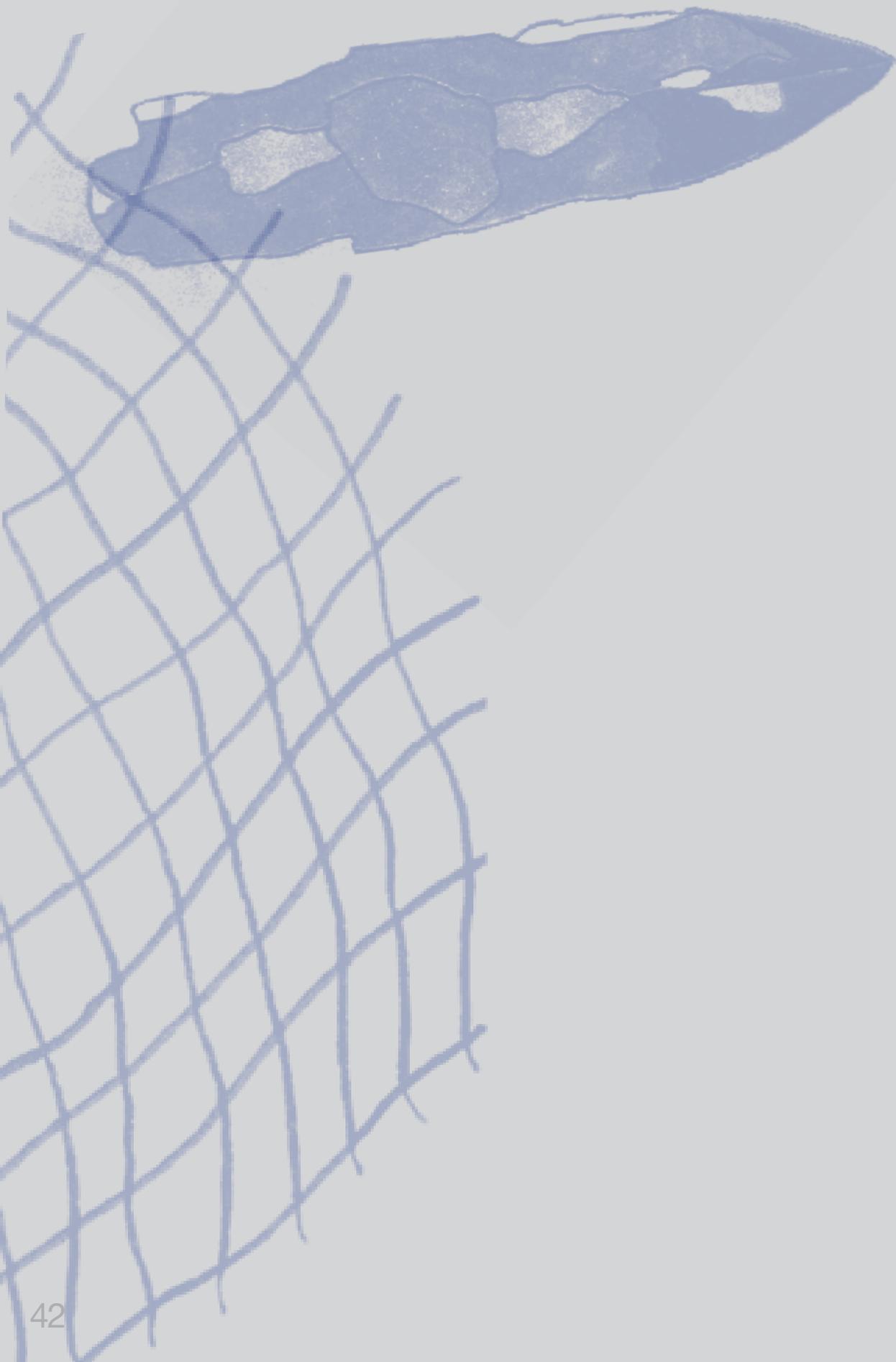
There are a range of challenges to be addressed in developing and implementing Landmark Projects, including:

- the scarcity of investment-ready projects
- identifying and mobilising untapped capabilities, resources and capital
- complexities in navigating the government support programs across numerous agencies
- accessing the entrepreneurial skills required to create effective partnerships.

Role of Victorian Government

There is an important role for the Victorian Government in helping to initiate and accelerate the development of successful partnerships. This role includes:

- **Driving the development of high potential partnerships** by identifying and bringing together the various parties that have complementary objectives, resources and capabilities, and leading them through the partnership development process. This includes actively engaging with the private sectors and with the Commonwealth Government, in particular through Aboriginal training, employment and enterprise programs
- **Reducing red tape** by providing a streamlined, clear pathway to government support including grants, supported traineeships and business mentoring support
- **Showcasing successful partnerships** to highlight learning and establish best practice models for potential replication and up scaling.



Working in partnership to deliver successful economic initiatives

By drawing on experiences, including successes and failures, lessons can be learnt about constructing economically viable and enduring projects. It is fundamental that Aboriginal people and organisations are supported to develop the structures and systems that are essential for success.

Experience with Aboriginal organisations elsewhere has shown that bypassing the steps shown in Figure 7 can often result in projects collapsing, not because of a lack of goodwill, access to capital or even market interest, but rather because the business goals and internal structures are not given the attention that is needed before commitments are made to projects.

To ensure the Landmark Project initiative is sustained, the government will charge the Victorian Aboriginal Economic Board with lead responsibility for advising on the success of potential landmark projects, including opportunities for leveraging the support of private sector, training and financial sector partners.

The government will also support the development and establishment of a small number of investment ready Landmark Projects, by developing a priority shortlist for accelerated development and facilitated investment, partnerships and business support.

Selection criteria will be applied on a balanced scorecard basis for the assessment and prioritisation of potential Landmark Projects to maximise the likelihood of success, including:

- **Commitment and capability** – that the Aboriginal proponent is committed to making the project a success and has the requisite capacity
- **Viability** – that the venture is likely to be financially and economically viable
- **Leadership and Governance** – parties have strong leadership and robust governance structures in place to drive economic outcomes
- **Scalability** – projects have the potential to be up-scaled to increase income generation and/or employment outcomes.

The government's approach will be underpinned by strong partnerships which will harness the resources and commitments of all sectors – government, community, business and philanthropic.

Figure 7: Key steps towards achieving successful Aboriginal enterprises



Source: Adapted from figure in presentation by Neil Sterritt, 13th Annual National Native Title Conference, Queensland, 5 June 2012, which drew on work by the Native Nations Institute, University of Arizona

Artwork by Mick Harding

Depicting Aboriginal participation and development in the Victorian economy.

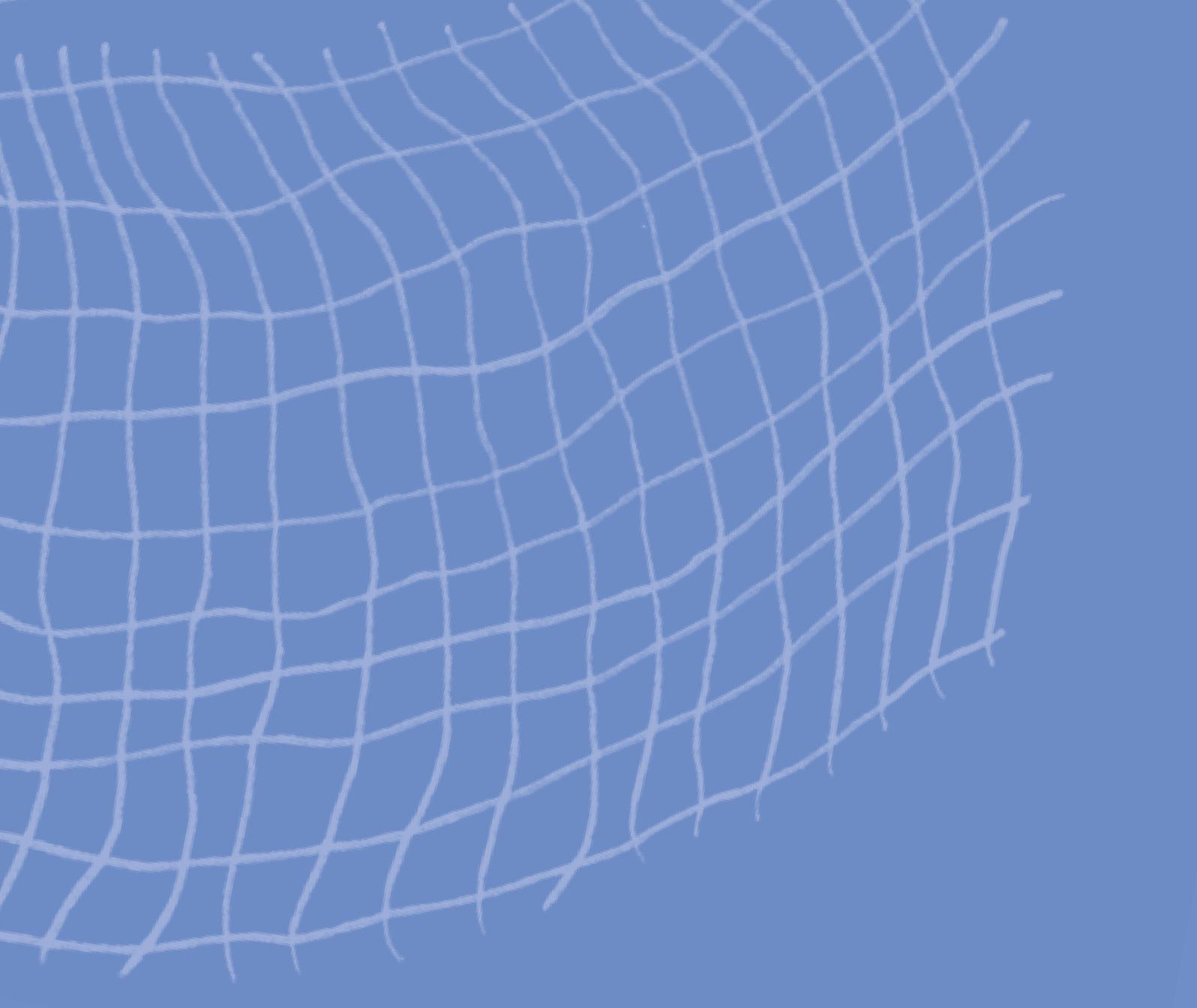
Dhumba-dji-ngan bada-k munga-na

“We must talk together.
We should write something.
And then we should work towards mending and
making our presence in this economy that has
cultural integrity.
We are responsible.”

“We have always lived in this environment that is
called Victoria today. The greens of our forests, the
browns of the dryer areas in the north, and the blues
to represent all the inland and coastal waterways.
The stone tools, possum skin, the netting, and the
traditional designs are evidence of our past economy.”







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