

# **Structured Training and Employment Projects**

## **STEP**

# **Guidelines for Organisations Interested in STEP Funding**



**Australian Government**  
**Department of Employment and  
Workplace Relations**



# **Guidelines for Organisations Interested in STEP Funding**

## **Introduction**

### **Purpose of guidelines**

These guidelines are for employers and other organisations who want to know more about Structured Training and Employment Projects (STEP) and how to apply for funding.

To do this the guidelines are divided into the following sections.

1. Background
2. The objective of STEP
3. Who can apply for STEP funding
4. Who can participate in projects
5. What activities can STEP funding be used for
6. How much funding can you receive
7. What you will get paid for
8. What makes a successful project
9. How you can apply for STEP funding
10. How your application for funding will be assessed
11. How long does the application process takes
12. What happens after your application has been approved
13. What happens after a contract has been signed
14. Other important information.

Please note that these guidelines may change over time and that that you should check this site or check with your local DEWR office to make sure you are working from the latest available version.

## 1. Background

The Indigenous Employment Policy (IEP) was implemented in July 1999 in recognition of the particular disadvantage of Indigenous Australians in the labour market. The aim of the policy is to generate more employment opportunities for Australia's Indigenous peoples. The major components of the IEP are the Indigenous Employment Programme, initiatives to stimulate economic activity and measures to improve employment services and outcomes for Indigenous job seekers through Job Network and Indigenous Employment Centres.

The main components of the IEP are:

- Structured Training and Employment Projects (STEP);
- Wage Assistance;
- Corporate Leaders for Indigenous Employment Project;
- National Indigenous Cadetship Project;
- The CDEP Placement Incentive;
- Indigenous Community Volunteers;
- Indigenous Self Employment Programme;
- Indigenous Small Business Fund;
- Indigenous Capital Assistance Scheme;
- Job Network; and
- Indigenous Employment Centres.

The services provided by Job Network members (JNMs) and Indigenous Employment Centres (IECs) may be of particular assistance with your STEP recruitment process.

Job Network is a national network of private and community organisations (Job Network members) dedicated to finding jobs for unemployed people. JNMs can provide, at no cost to your business, candidate screening and short listing, professional recruitment advice and access to JobSearch – Australia's largest recruitment database.

IECs provide assistance to participants in Community Development and Employment Projects (CDEPs) to help them secure employment. Services provide by IECs include assisting participants get ready for work outside of the CDEP and supporting them while they are in their chosen job. Services provided by IECs are complementary to those available from Job Network.

Further information on these services and how they may be of assistance can be found at <http://workplace.gov.au> or you can contact your local DEWR Office. Contact details are provided below.

These guidelines are intended to help you apply for STEP funding. Depending on the type of assistance you are looking for, other elements of the IEP may better suit your needs. You should also be aware that you may be able to access funding from different elements of the IEP at the same time to develop an overall package of funding for your project.

If you need further information about any aspect of the IEP, contact your local DEWR office switchboard and ask to speak to someone about the Indigenous Employment Policy or Structured Training and Employment Projects.

NSW Sydney (02) 9246 0600 (also covers ACT)  
VIC Melbourne (03) 9954 2510  
SA Adelaide (08) 8306 8700  
WA Perth (08) 9464 4200  
NT Darwin (08) 8936 5000  
QLD Brisbane (07) 3223 1250  
TAS Hobart (03) 6222 9815

## **2. Objective of STEP**

The primary objective of Structured Training and Employment Projects (STEP) is to increase employment opportunities for Indigenous Australians, by providing funding for packages of tailored assistance, including structured and accredited training (preferably leading to formal qualifications), that enable employers to provide long term jobs.

While the Government's focus is on increasing jobs for Indigenous Australians in the private sector, STEP funding is also provided to community and public sector organisations.

## **3. Who can apply for STEP funding**

STEP funding is available to employers or other organisations that train and employ Indigenous Australians. While employers can be from the private, public or community sector, the focus is on increasing jobs in the private sector.

STEP funding is negotiated directly with employers and projects can involve differing levels of training including on the job training, apprenticeships and traineeships depending on the employers' needs.

STEP funding can also be provided to organisations that train participants then place them with employers. These intermediary organisations will need to demonstrate that they have special skills that they can bring to participants and to DEWR that are not otherwise available from local employers.

#### **4. Who can participate in projects**

To be eligible for assistance under STEP, a participant must:

- be of Aboriginal and/or Torres Strait Islander descent;
- identify as an Aboriginal and/or Torres Strait Islander; and
- be accepted as an Aboriginal and/or Torres Strait Islander by the community in which they live or have lived.

You must ensure that people who participate in your project as employees or trainees are of Aboriginal and/or Torres Strait Islander descent. If you have concerns about confirming this, you should contact your local DEWR office. The contact details are in Section 1.

Participants do not have to be unemployed or registered with Centrelink. Participants being assisted by a JNM may be referred to STEP for assistance. Please note that if a job seeker who is registered with Centrelink comes to you for assistance (either after being referred to you by a JNM or seeking assistance from you directly) you will not be able to claim Wage Assistance in addition to STEP funding.

Indigenous Australians who are already employed can participate in STEP to achieve an improved employment outcome (such as moving from casual or part time work to increased hours, or undertake training and employment that will improve their skills and ongoing employment prospects).

Participants in the Community Development Employment Projects (CDEP) can participate in STEP where the objective is for the person to move from CDEP to mainstream employment off CDEP wages.

A participant who has been funded as an employee, or in any training position under STEP is usually not eligible to participate in STEP again until two years have elapsed since he or she left the previous STEP placement, unless the DEWR delegate approves the second placement.

## **5. What activities can STEP funding be used for**

The following list provides examples of the type of assistance that can be included in a STEP package:

- job placement, workplace orientation and on the job support and advice;
- mentoring;
- wage subsidy;
- assistance with developing an Indigenous employment strategy for an organisation;
- developing cross cultural awareness training packages and a contribution to the cost of delivering the training;
- marketing initiatives to identify suitable participants;
- personal assistance to participants prior to commencing training or work; and
- pre-employment and formal/accredited training while employed or prior to employment.

Funding will be made directly to your organisation to deliver assistance, or you may use this funding to purchase some or all of the assistance from another organisation or individual. If you pay another organisation to provide services you must provide details to DEWR.

## **6. How much funding can you receive**

The level of funding available to you through STEP will depend upon a combination of factors including the:

- job readiness of the participant;
- complexity of training provided;
- level of training completed by a participant;
- length of time a participant stays in a job; and
- the location of the project.

You are expected to make a significant funding contribution, as you would for any other employee or person you are providing assistance to. In particular, if you are an employer you must meet employment on-costs (eg workers' compensation, insurance, payroll tax and superannuation) or the purchase of capital equipment (assets).

If you need information about wages or conditions you can visit Wage Net at [www.wagenet.gov.au](http://www.wagenet.gov.au).

The level of funding sought for a project is an important discussion and decision point while developing a STEP application. It may be useful to develop a business plan to support your proposal and to help you in the negotiation process.

## **7. What will you get paid for**

The contract you enter into with DEWR will specify exactly what you will be paid for and when you will be paid. The payments you receive will depend on the agreement you negotiate with DEWR. The payments for STEP reflect its objectives and are based on the attainment of specified outcomes.

Generally payments will be made for the placement of Indigenous Australians in jobs and for helping them to stay in employment. However, in recognition of STEP's broader objectives, payments may also be made to reflect the training provided to, and acquired by participants and, in certain agreed circumstances, for the provision of other services and activities.

The following describes the main STEP outcomes.

### *Employment outcomes*

Participant starts a job (with a minimum of 15 hours over five consecutive days).

Participant remains in a full time job for 13 weeks.

Participant remains in a part time job for 13 weeks.

Participant remains in a full time job for 26 weeks.

Participant remains in a part time job for 26 weeks.

Full time jobs will attract a higher payment than part time jobs.

Depending on specific industry and local arrangements and labour market conditions DEWR may consider varying the hours and duration of employment and/or training that it pays an outcome for.

### *Structured Training outcomes*

The completion or attainment of clearly defined and contractually specified training activities, for example:

Participant starts a traineeship or apprenticeship.

Participant successfully completes one quarter of the annual traineeship or apprenticeship.

Participant successfully completes a second quarter of the annual traineeship or apprenticeship.

Participant successfully completes a third quarter of the annual traineeship or apprenticeship.

Participant successfully completes the final quarter of the annual traineeship or apprenticeship.

### *Other Outcomes*

The completion or attainment of other clearly defined and contractually specified activities.

You will be required to provide evidence that outcomes have been achieved.

## **8. What makes a successful project**

A number of successful projects have a few features in common. You may wish to consider including one or more of the following elements when developing your project.

- Community support and involvement
  - This gives you or the participants you are helping access to a wide range of expertise and support.
- Links to local businesses and business organisations
  - This can provide important links to jobs and help you plan how to take advantage of future job opportunities. Having a good relationship with your local Job Network member and/or Indigenous Employment Centre is also a good way of accessing job seekers and other assistance.
- Employing more than one Indigenous person at the same time
  - Experience to date has shown that participants are more likely to stay in a job (or in training) when two or more Indigenous Australians start at the same time or where there are already Indigenous employees on the site.
- Having access to a mentor in or outside the work place or training venue
  - Access to a mentor can help people stay in training and in the job, especially when they first start.
- Having a business plan and review process in place
  - Having a business plan and a process for reviewing it helps you to monitor your progress against your project goals and your contractual obligations.

## **9. How you can apply for STEP funding**

If you want to apply for STEP funding you should contact the DEWR office in your local State/Territory and ask to speak to someone about the Indigenous Employment Policy or Structured Training and Employment Projects (see Section 1).

A DEWR officer will help you to work out whether your ideas can best be funded under STEP. This officer will also be able to assist you with information about other elements of the Indigenous Employment Policy or Job Network services.

Issues that may be covered include:

- your employment needs;
- recruitment of participants;
- any associated training needs;
- the level of funding you are seeking;
- the assessment and approval processes including financial viability and risk assessment processes;
- how the contract for STEP funding will be drawn up;
- processes for claiming payments;
- the monitoring and reporting processes that DEWR uses to ensure that projects are achieving their outcomes; and
- the obligations of both DEWR and your organisation in the contractual relationship.

A formal application for STEP funding must be submitted to DEWR. If you have any questions while completing this application you should contact DEWR (see Section 1).

## **10. How your application for STEP funding is assessed**

Your application for STEP funding will be assessed by DEWR against the STEP objectives. The assessment will consider:

- if there are clearly defined and achievable employment outcomes;
- if the assistance you propose to provide fits within the STEP objectives;
- whether the proposal offers value for money to the Commonwealth;
- what benefits the project will deliver to the participant and/or local community;
- how likely it is that the project will be successfully undertaken; and
- if you or your organisation has received Commonwealth funding before, your past performance against those contract/s.

Your application may also be assessed against other STEP proposals and in some circumstances DEWR may determine that other proposals better match the STEP funding assessment criteria.

In addition DEWR may assess:

- your organisation's financial viability; and
- whether there are any circumstances that may adversely affect your organisation's ability to meet its contractual obligations.

These checks are a requirement whenever Commonwealth funds are being expended to ensure that there is minimum risk to the Commonwealth.

## **11. How long does the application process take**

The time taken to process your application will vary depending on:

- how closely your proposal matches the STEP guidelines; and
- the information that you give to us (especially the information required for financial viability assessments and any other information required to enter a contract).

## **12. What happens after your application has been approved**

When the assessment process has been completed you will be advised of the outcome. If your application is approved, DEWR will negotiate the contents of the contract with you, and draw up the contract to be signed by DEWR and your organisation.

### **The STEP contract**

There are a number of STEP contract formats that DEWR will use depending on your proposal. However there are two standard components to the contracts.

1. The first component is common to all STEP contracts and covers issues such as:
  - privacy;
  - probity;
  - compliance with laws and policies;
  - termination of the contract;
  - intellectual property;
  - use of subcontractors; and
  - conflict of interest.
  
2. The second component is specific to the project being funded and contains information such as:
  - the objectives of your project;
  - your organisation's details including contact person, address and banking details;
  - your project outcomes and payments schedule; and
  - how your contract performance will be monitored and reviewed.

If you have any questions about what will be included in a contract you should contact DEWR (see Section 1).

Please note that these are examples only and that your contract will be developed to meet your specific needs.

## **13. What happens after the contract has been signed**

After the contract has been signed by you and DEWR, you will be ready to start your project. You will be advised who your ongoing contact person will be. This person is your Contract Manager who you should contact if you have any concerns about managing your project. Your Contract Manager will contact you for ongoing monitoring of the project.

DEWR will undertake regular monitoring to ensure that your organisation is fulfilling the requirements of the STEP contract and to check your progress. Monitoring can include visits to your organisation, meetings or requests for written reports.

## **14. Other important information**

### **Conflict of Interest**

DEWR seeks to ensure that there is no actual conflict of interest, or a perception of a conflict of interest when employers are negotiating a STEP contract with DEWR staff.

A conflict of interest occurs when there is a situation where a person has a personal interest in a matter, either direct or indirect which will result in a financial or non-financial benefit.

If you have any concerns about conflict of interest please contact your State or Territory Manager or Indigenous Employment Manager. The switchboard numbers are in Section 1.

### **Privacy**

When you sign a STEP contract you will be required to comply with:

- the *Information Privacy Principles* set out in section 14 of the *Privacy Act 1988* and specified in Schedule 4 [Information Privacy Principles]; and
- policy guidelines issued by the Commonwealth Privacy Commissioner.

Your contract will provide all relevant detail relating to protection of personal information and access to your records.

You must ensure that all STEP participants are made aware that information about their participation in STEP may be made available to DEWR for monitoring and evaluation purposes.

### **Ministerial announcements, launches and acknowledgement of Government funding**

In some cases the Minister for Employment and Workplace Relations may want to make a public announcement or be involved in launches of particular projects. You may be asked to assist with these.

Project details are also posted on the Department's Internet site shortly after their announcement. You can view recently approved STEP project at <http://workplace.gov.au> under the heading Indigenous Programmes.

If you want to make a public announcement or launch of your project you must give the Department 6 weeks notice.

You must always acknowledge the STEP funding from DEWR when promoting or speaking about your project.