

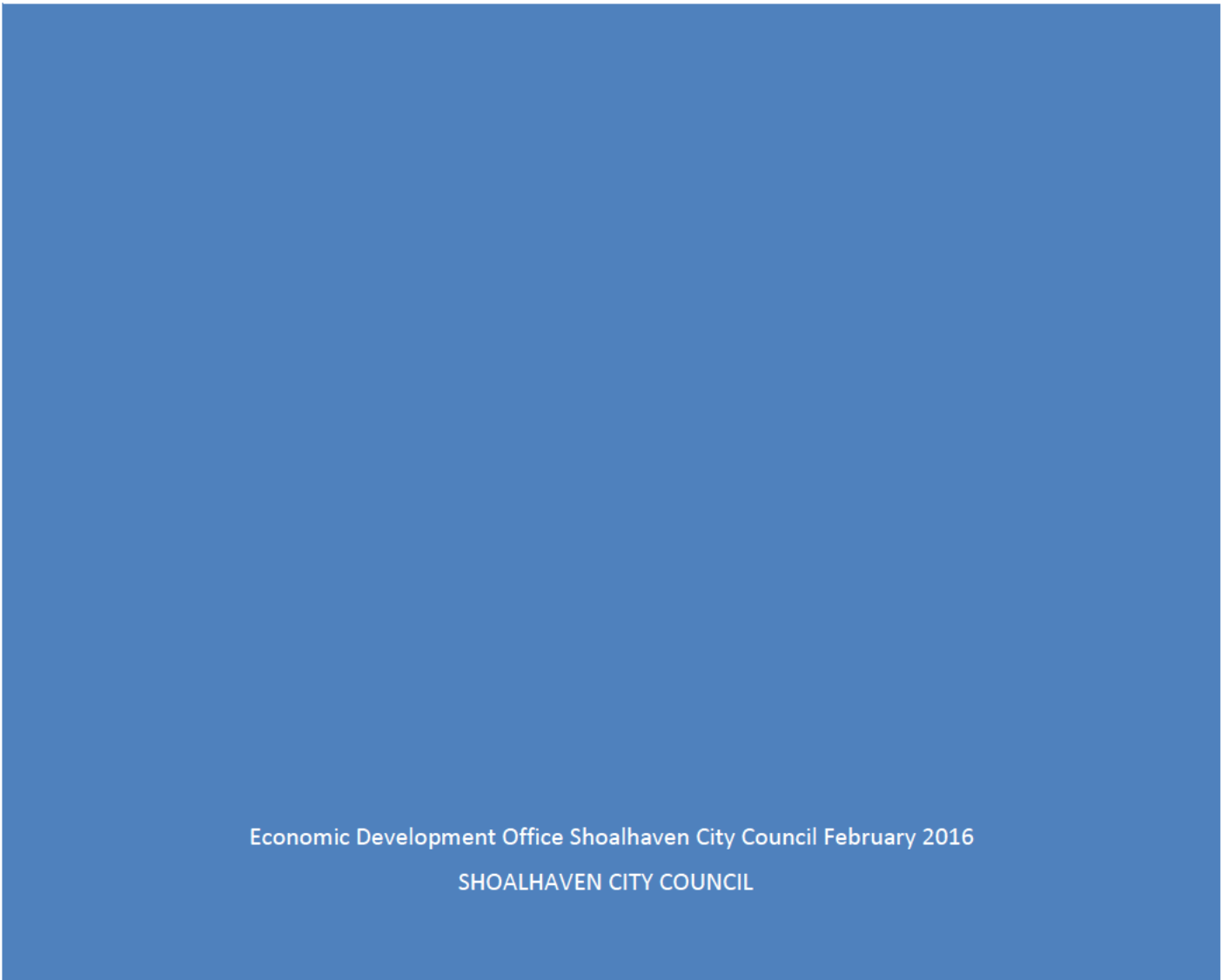
**Submission
No 16**

INQUIRY INTO ECONOMIC DEVELOPMENT IN ABORIGINAL COMMUNITIES

Organisation: Economic Development Office - Shoalhaven City Council
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SUBMISSION - INQUIRY INTO ECONOMIC DEVELOPMENT IN ABORIGINAL COMMUNITIES



Economic Development Office Shoalhaven City Council February 2016

SHOALHAVEN CITY COUNCIL

NSW LEGISLATIVE COUNCIL

Standing Committee on State Development

Inquiry into economic development in Aboriginal communities

TERMS OF REFERENCE

1. That the Standing Committee on State Development inquire into and report on strategies to support economic development in Aboriginal communities in New South Wales, including but not limited to:

- (a) options for sustainability and capacity building of NSW Aboriginal communities into the future, utilising existing community networks and structures
- (b) leveraging economic development support, including provided by the Commonwealth Government and the private sector
- (c) establishment and sustainability of Aboriginal owned enterprises.

SUBMISSION BY ECONOMIC DEVELOPMENT OFFICE OF SHOALHAVEN CITY COUNCIL

Background

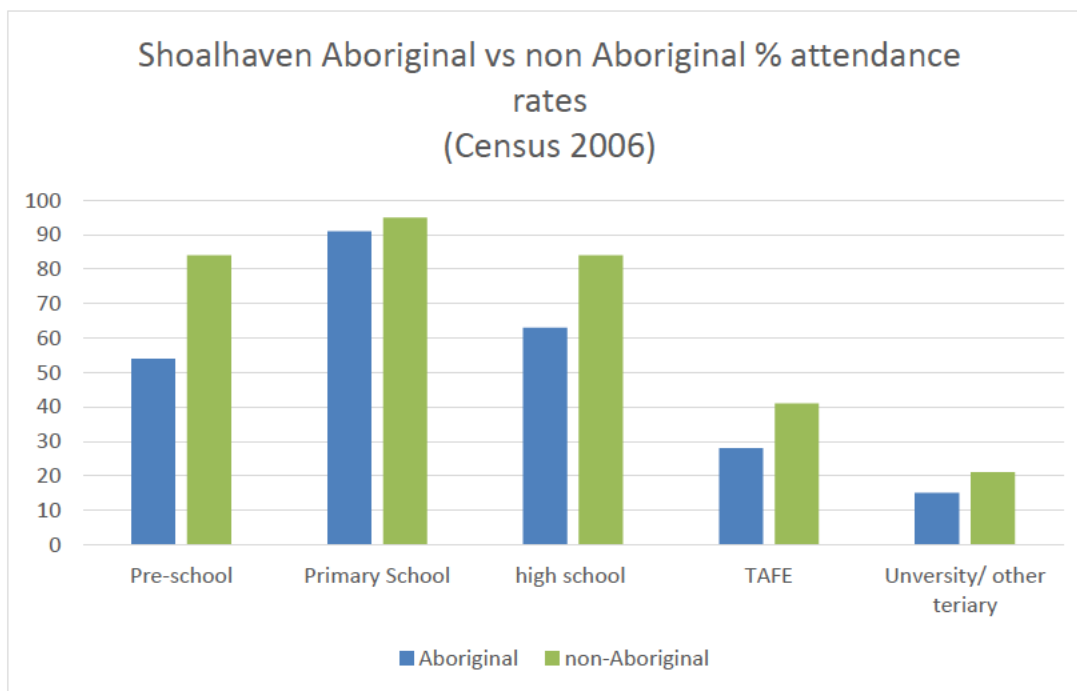
Shoalhaven City is located on the south coast of New South Wales, about 160 kilometres south of Sydney. Shoalhaven City is bounded by the Wingecarribee Shire and the Municipality of Kiama in the north, the Tasman Sea and Jervis Bay Territory in the east, the Eurobodalla Shire in the south and the Palerang and Goulburn Mulwaree Council areas in the west.

The Shoalhaven and neighbouring localities include Aboriginal communities of:

- Yuin Nation – Yuin is the general or generic name for all tribes from Merimbula to Nowra Wodi Wodi – Illawarra Bundalong – Shoalhaven River Jeringa – Shoalhaven (North)
- Jervis Bay Kangaroo Ground (Kangaroo Valley)
- Parramarrago (near Bungonia)
- Alleluen (Araluen) Wandandian – Wandandian & Jervis Bay Budawang
- Walbanga Munkata (maybe Monkittee nr Braidwood) and others
Murramarang and Budawang
(Australian History Research 2016 -
<http://www.australianhistoryresearch.info/aboriginal-ancestry/>)

The Shoalhaven has a large proportion of Aboriginal people. According to the 2011 census data, 4.7% of the population of the Shoalhaven (96203 ERP) identify as being Aboriginal or Torres Strait Islander compared to 2.9% of the NSW population (3238.0.22.001 Estimates of Aboriginal and Torres Strait Islander Australians, June 2011 released 15/11/2013). Shoalhaven Aboriginal people are an important component of the social and cultural fabric of the Shoalhaven.

The indigenous unemployment rate in the Shoalhaven in 2011 was 21.6% compared to the non-indigenous rate of 7.3% (Australian Government Department of Employment Illawarra Priority Employment Area labour market overview Source: ABS, Census of Population and Housing, 2011). Apart from stark differences in the unemployment rate between indigenous and non-indigenous Shoalhaven residents, there are also significant gaps in health, education, income and other key measurables. Economic development opportunities for Aboriginal people will help close this gap in the Shoalhaven.



The Shoalhaven community including many agencies, have been working with both the local schools and Aboriginal communities to increase completion of higher school certificate studies by Aboriginal high school students.

Business Opportunities for Aboriginals

There are existing businesses operating in the Shoalhaven, as in other places, that are owned/managed by Aboriginal people. Operating in the wider business community, these businesses are usually not wanting to trade on their “Aboriginality” unless specifically aligned to an indigenous trading niche.

There are some business development programs that operate specifically for Aboriginal business proponents but the philosophy of supporting existing established businesses to grow tends to cater for most groups equally.

Those new start-up businesses involving Aboriginal principles do become aware of any special programs for business assistance through the Business Advisory Network or cultural networks.

There are Aboriginal owned/operated businesses that do not wish to identify as culturally special unless specialisation is a business advantage such as Habitat personnel, Danooch dancing troupe, Shoalhaven Aboriginal Medical Service, ... The integration of culture into wider tourism is supported by Shoalhaven Council and the engagement and promotion of these businesses is undertaken when appropriate.

Promotion of Aboriginal culture is sometimes integrated into businesses involved in trading/promoting indigenous culture or having Aboriginal people as their prime market. Industry sectors such as tourism, some of the arts, employment, legal and medical services quite often have niche business segments worth investing in for a positive return. These businesses provide managerial, professional and administrative opportunities for Aboriginal people but are sometimes tied to government funding programs for sustainability, which may or may not be a good thing.

RECOMMENDATIONS

1. To assist Aboriginal businesses establish and develop, the existing NSW Small Business assistance programs would seem to satisfy.
2. Recognise that funding programs do exist for the financing of Aboriginal businesses and that the operation and management of these funds remain independent of government. Should the NSW Government wish to stimulate this sector then loan advances can be made to these bodies to expand their specific reach into this area.

Aquaculture interests

The relationship of the coastal Aboriginal communities with the marine and estuarine environments is strong. Fishing, and more increasingly aquaculture, have raised interest within local communities but undercapitalisation has generally prevented entry to this business market. The potential for Aboriginals to become a part of this industry is supported by Council and industry and it is felt that by this route, some individuals will develop into managerial roles and eventually entrepreneurial leaders.

Agencies such as NSW Fisheries and National Parks have deliberately fostered positions to engage with the local communities, however undercapitalisation is always a barrier to getting business ventures started.

Leveraging employment through co-operative agreements

Where Aboriginal communities have a natural and technical empathy with an industry sector, better opportunities can sometimes arise by way of working co-operatively with

existing businesses rather than reinventing the wheel and moving into competition with existing operations. An appreciation of mitigating business risks through joint venturing and collaborative agreements needs to be supported and mentored.

RECOMMENDATIONS

3. The NSW Government work with Aboriginal communities to develop a joint venture agreement template and negotiation framework to deliver meaningful and deliverable outcomes to both sides in any co-operative venture be it either social, environmental or economic.

Social Issues

It is generally accepted that there is a need to break the welfare cycle within communities generally but specifically within the Aboriginal communities. Long term dependency on welfare is not good and is counterproductive to many other issues – education, health, criminality,

Providing meaningful work experiences and preparation experiences to gain an education and work experience can provide a better opportunity to achieving long term sustainable employment and independence. Mentoring at all stages of the education/work/life experience will build confidence and a capacity to take on and manage entrepreneurial risk.

Certain business leaders will accept the social responsibility to address this issue. The recognition of this positive attitude should not only be promoted within the target Aboriginal youth group but within the civic and business leadership group. This proactive approach is usually developed out of good personal relationships and the willingness to “give it a go!” by the businesses. It is not necessarily so that the best businesses or community/business leaders will be inclined to undertake such a partnership but the imperative is that once a successful relationship is forged that this needs to be leveraged upon.

Where applicable, Aboriginal community leaders need to highlight the successes in education and business from within their communities, those that are achievers and can be role models and from the economic development perspective in career achievements and/or business. It is important that the “success” is sustainable into the medium/longer term so that the younger generation can be mentored through all life stages.

Recognition of the issue of not wanting to identify is changing. Role models & mentors are now probably more accepting of being promoted within their community, but any resistance needs to be respected.

RECOMMENDATIONS

4. To promote successful Aboriginal owned/operated businesses, NSW Small Business Commissioner prepare case studies to be promoted within various forums including Aboriginal communities, local government, business chambers, banks and financial institutions, media

Aboriginal Groups (LALCs) as a land owner

With the introduction of the NSW Land Rights Act and Native Title legislation, the amount of land assets held within Aboriginal communities is quite significant. The management of these assets is a responsibility which some Local Aboriginal Land Council's (LALCs) are better equipped to handle than others.

It must be reinforced that one of the core objectives of the Aboriginal Land Rights Act 1983 was to use the benefits accrued from land dealings to improve cultural, social and economic outcomes for Aboriginal communities.

Leveraging land assets to create employment and economic opportunities for communities is a skill which some LALCs engage in well and others not. In recognition of this, Shoalhaven Council did create a cadetship program to assist Aboriginal youth to attend university/TAFE whilst gaining practical work experience in their skilled vocational area at Council. Three cadets were commenced (law, environmental science, surveying assistant) with two completing their studies. Council found difficulty in recruiting suitable applicants locally with one recruit coming from Queensland. Council has discontinued this program.

By observation and involvement, Council has seen LALCs reviewing asset portfolios, having strategic plans prepared by outside consultancies, but it appears that when the funding for the consultancies runs out so does the project momentum. Even when experienced local development partners are introduced, there is a belief that the project can have a better rate of return, gets deferred, then lapses. There needs to be a better source of advisors and implementers that can work locally with communities to deliver both social and economic outcomes.

The quandary of land allocated by government under the legislation because of an "association" with that land runs in the face of developing or selling off the parcel(s) to generate economic gain. This will remain a continual issue.

The 2015 Illawarra-Shoalhaven Regional Plan seeks to 'strengthen the economic self-determination of Aboriginal communities' through a 'strategic assessment of land held by the region's LALC to identify priority sites for further investigation of their economic

opportunities'. There are many development opportunities (residential, industrial, health, educational etc) located in regional areas that could be enabled should land be available. One of the constraints to regional development is the time it takes to negotiate land transactions with LALC's. An approach that would enable timely and mutually beneficial outcomes would be advantageous to all if the NSW government could facilitate better advice to LALC's by either providing an intermediary service or through the provision of appropriate skills/services to the LALC's.

In most regional areas of NSW, especially coastal areas, Crown Lands formed part of the town/village peripheral land stock for expansion of the urban area, future sporting fields, extensions of water and sewer infrastructure and employment land stocks. With land claims being successful on many of these Crown Lands, local government has recently struggled to "acquire" lands that previously were assumed to be available for these purposes.

Price is not always the stumbling block, it can be the philosophical position which inhibits the LALCs from coming to the negotiating table. Land banking by LALC can be to the detriment of the wider communities – preventing infrastructure provision, deferring employment opportunities,

RECOMMENDATIONS

5. To be consistent with the 2015 Illawarra-Shoalhaven Regional Plan the NSW government could facilitate benefits being accrued to Aboriginal communities in accordance with the NSW Aboriginal Land Rights Act by the government either providing
 - an intermediary service
 - appropriate skills/services to the LALC's

6. In an attempt to unlock regional employment lands, it is proposed that a funding allocation be made to the NSW Dept of Industry specifically to loan funds to joint ventures between an Aboriginal Land Council and a Local Government Authority to develop zoned employment lands. The loans to:
 - Have a term of say 5 years
 - Be limited to \$2million per project
 - Be interest free or at minimal interest
 - Be made to a legally formed joint venture, articulating inputs and outputs by both sides
 - LALC to be the land owner
 - LGA to be the land developer and project manager
 - Be competitively sought and subject to project viability.
(End of submission)