Submission No 4

INQUIRY INTO ECONOMIC DEVELOPMENT IN ABORIGINAL COMMUNITIES

Organisation: N Date received: 7

Nambucca Shire Council 7/10/2015 7 October 2015

The Hon Greg Pearce MLC Committee Chair Inquiry into Economic Development in Aboriginal Communities

Email: state.development@parliament.nsw.gov.au

Dear Mr Pearce

SUBMISSION TO INQUIRY INTO ECONOMIC DEVELOPMENT IN ABORIGINAL COMMUNITIES

Thank you for the invitation to make a submission in relation into this enquiry.

Council considered its submission at a meeting on 24 September 2015 and resolved to put forward a submission proposing that the existing network of Local Aboriginal Land Councils be encouraged and mentored to undertake further economic development, and particularly to secure an ongoing return from the some of the land they own or control.

One element to reducing the unacceptably high unemployment rate for Aboriginal people is for an increase in sustainable employment generation across the range of occupations, including professional and managerial positions across different industries.

Whilst not exclusively the case, the experience of the Nambucca Valley has often been of employment opportunities focused on well meaning, short term Federal funded schemes which have neither been sustained nor integrated with existing Aboriginal community networks and governance structures. In some examples the management of these short term employment opportunities has remained with non-indigenous people. Whilst these schemes have provided employment opportunities they have not provided capacity building for our local Aboriginal community nor sustained enterprise.

In terms of sustainability it is important that Aboriginal people identify and implement economic development opportunities for themselves. In this respect many existing Local Aboriginal Land Councils, including those from the Nambucca Valley, already undertake some economic develop initiatives. Some of these are also associated with education and training which provides a double benefit in responding to not one, but two key indicators of disadvantage.

It should also be acknowledged that there are many Aboriginal people in the Nambucca Valley who have initiated their own enterprises, particularly in the creative industries but also increasingly in other industries.

The Hon Greg Pearce MLC 7 October 2015 SF770

The thesis for Council's submission to the Standing Committee's Inquiry is that the existing network of Local Aboriginal Land Councils should be encouraged and mentored to undertake further economic development, particularly to secure an ongoing return from some of the land they own or control. The returns from such investment could then be invested by the Land Councils themselves in supporting other key indicators such as Education and Training or Health and Wellbeing.

Please find **attached** a copy of the report considered by the Council at its meeting on 24 September 2015.

For your information Council took the opportunity of circulating the Notice of the Inquiry to our three Local Aboriginal Land Councils and also to the Muurrbay Aboriginal Language and Culture Co-operative.

Council would be pleased to be advised of the outcomes of the Committee's Inquiry.

Thank you for the opportunity to comment.

Yours faithfully

Michael Coulter GENERAL MANAGER

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Enc Copy of Report to Council's meeting on 24 September 2015

GENERAL MANAGER'S REPORT

ITEM 9.5 SF770 240915 INQUIRY INTO ECONOMIC DEVELOPMENT IN ABORIGINAL COMMUNITIES

AUTHOR/ENQUIRIES: Michael Coulter, General Manager

SUMMARY:

The NSW Legislative Council's Standing Committee on State Development is currently conducting an inquiry into economic development in Aboriginal communities. The proposed thesis for Council's submission to the Standing Committee's Inquiry is that the existing network of Local Aboriginal Land Councils should be encouraged and mentored to undertake further economic development, particularly to secure an on-going return from some of the land they own or control.

RECOMMENDATION:

That Council forward a submission to the Inquiry into Economic Development in Aboriginal Communities proposing that the existing network of Local Aboriginal Land Councils be encouraged and mentored to undertake further economic development, and particularly to secure an on-going return from some of the land they own or control.

OPTIONS:

Council can choose not to make a submission to the Inquiry. If Council does choose to make a submission the nature of its submission is at the discretion of Council.

DISCUSSION:

The NSW Legislative Council's Standing Committee on State Development is currently conducting an inquiry into economic development in Aboriginal communities. The terms of reference for the inquiry are as follows:

- 1. That the Standing Committee on State Development inquire into and report on strategies to support economic development in Aboriginal communities in NSW, 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
- 2. That the committee report by 30 September 2016

The Committee has invited Council to make a submission to the inquiry with the closing date for submissions being Sunday 11 October 2015.

The recently published report by the Productivity Commission on Overcoming Indigenous Disadvantage: Key Indicators 2014 measures the wellbeing of Aboriginal and Torres Strait Islander Australians at a national scale.

The report found that outcomes have improved in a number of areas including a narrowing of the gap in life expectancy; a reduction in mortality rates for children; an increase in the proportion of 20-24 year olds completing year 12; and an increase in the proportion of adults whose main income was from employment having increased from 32 percent in 2002 to 41 percent in 2012-13. However there has been little change or a worsening in other indicators including virtually no change in the proportion of students achieving national minimum standards for read, writing and numeracy; relatively high rates of family and community violence; little change in alcohol and substance use and harm over time; and an increase in imprisonment rates.

ITEM 9.5 INQUIRY INTO ECONOMIC DEVELOPMENT IN ABORIGINAL COMMUNITIES

It is plain that there are no simple "quick fix" solutions to turning around the levels of disadvantage that have been many generations in the making. Ultimately solutions must be found across a broad range of social and economic indicators including education, health and well-being, housing, law and justice and in communities. Another important indicator which is relevant to the Standing Committee's inquiry is employment derived from economic development in Aboriginal communities.

One element to reducing the unacceptably high unemployment rate for Aboriginal and Torres Strait Islander people is for an increase in sustainable employment generation across the range of occupations, including professional and managerial positions across industries.

Whilst not exclusively the case, to date the experience of the Nambucca Valley has often been of employment opportunities focussed on well meaning, short term Federal funded schemes which have neither been sustained nor integrated with existing Aboriginal community networks and structures. In some examples the management of these short term employment opportunities has remained with non-indigenous people. Whilst these schemes have provided employment opportunities they have not provided capacity building for our local Aboriginal community nor sustainable economic enterprise.

In terms of sustainability it is important that Aboriginal people identify and implement economic development opportunities themselves. In this respect many existing Local Aboriginal Land Councils, including those from the Nambucca Valley, already undertake some economic development initiatives. Some of these are also associated with education and training which provides a double benefit in responding to not one, but two key indicators of disadvantage being employment and education/training.

It should also be acknowledged that there are many Aboriginal people in the Nambucca Valley who have initiated their own enterprises particularly in the creative industries but also increasingly in other industries.

The proposed thesis for Council's submission to the Standing Committee's Inquiry is that the existing network of Local Aboriginal Land Councils should be encouraged and mentored to undertake further economic development, particularly to secure an on-going return from some of the land they own or control. The returns from such investment could then be invested by the Land Councils themselves in supporting other key indicators such as education and training or health and well-being.

CONSULTATION:

There has been consultation with the CEO's of the three Local Aboriginal Land Councils in the Nambucca Valley as well as Council's Manager Business Development and Council's community development staff.

Ms Louise Robinson, CEO of the Nambucca Heads Local Aboriginal Land Council has provided the following comments.

"NSW Parliament has to give more standing to the LALC's within communities. The legislative and NSWALC requirements demanded of LALC's in any region show that these community hubs are well run and transparent places from which to launch programs and initiatives for the whole community. Capacity of LALC CEO's and boards continues to increase with outstanding accomplishments over the past 12 months as seen at the State Conference in Cessnock in 2015.

The Land Council network on the East Coast of Australia is asset rich (land) and Cash poor. Inland land available to claim is less; and the value of that land is negligible in some cases. Leveraging Land for Commercial Ventures requires LALC's to have ROI percentages higher than banking institutions require to meet the NSWALC requirements. Land is not often sold as the membership are reluctant to get rid of lands that have been hard fought for. Capital Investment or Economic Development Start Up Contributions are what is needed. It is all very well to have a successful set of businesses if you start off with a good asset base or bank balance. The Aboriginal Community start with nothing and have to write grants competing against large multinational companies with professional grant writers. These grant writers stretch the truth and win the largest grants which should provide state or regional services but which inevitably leave out large sections of community. Grass roots programs are far more appropriate and can be run successfully. Funding must be ongoing based on results and not one off. No one can produce good sustainable business within one year if you do not have enough money or your employees have little capacity.

ITEM 9.5 INQUIRY INTO ECONOMIC DEVELOPMENT IN ABORIGINAL COMMUNITIES

Economic Development can be achieved in all Land Council areas with a focus on Culture. This in turn would impact on Tourism within NSW. Together relationships with Tourism NSW and other areas would see small tourist businesses being able to expand and diversify with ongoing funding and support."

SUSTAINABILITY ASSESSMENT:

Environment

At this stage there are no implications for the environment.

<u>Social</u>

There is obviously a linkage between the key indicators of disadvantage as reported by the Productivity Commission. To the extent that economic development outcomes can be improved there should also be positive impact on other measures of well-being such as health, education, employment etc.

Economic

The Inquiry is concerned with strategies to support and improve economic development outcomes for Aboriginal communities.

<u>Risk</u>

The risk concerns achieving the highest rate of return from government expenditure.

FINANCIAL IMPLICATIONS:

Direct and indirect impact on current and future budgets

There is no impact on Council budgets.

Source of fund and any variance to working funds

There is no impact on working funds.

Service level changes and resourcing/staff implications

There is no service level or resourcing implications for Council.

ATTACHMENTS:

There are no attachments for this report.