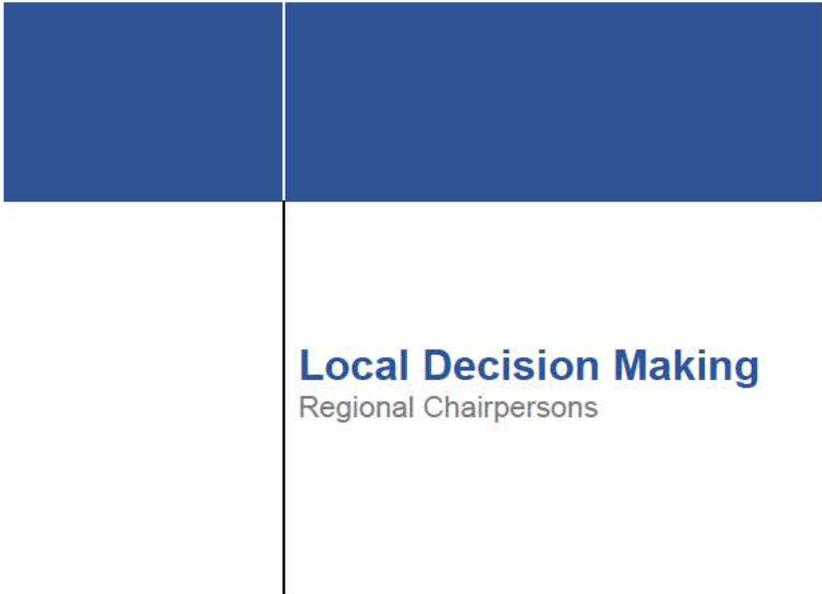


**Submission
No 17**

INQUIRY INTO ECONOMIC DEVELOPMENT IN ABORIGINAL COMMUNITIES

Organisation: Local Decision Making Regional Chairpersons Group (LDMRC)
Date received: 12/02/2016



Local Decision Making

Regional Chairpersons

Submission
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.

2. That the committee report by 30 September 2016.

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1. Covering Letter

Local Decision Making Regional Chairpersons

12 February 2016

The Director
 Standing Committee on State Development
 Parliament House
 Macquarie St
 Sydney NSW 2000

Dear Director

Inquiry into Economic Development in Aboriginal Communities

Thank you for the opportunity to lodge this submission in relation to your enquiry into economic development in Aboriginal communities in New South Wales.

The Local Decision Making Regional Chairpersons (LDMRC) group is comprised of representatives from six Aboriginal Regional Alliances established under Local Decision Making, an initiative of OCHRE, the NSW Government Plan for Aboriginal affairs.

The key aims of OCHRE include, to;

- Support more Aboriginal peoples' in obtaining employment that is fulfilling and sustainable,
- To grow local Aboriginal leaders' and communities' capacity to drive their own solutions, and
- Focus on creating opportunities for economic and social prosperity.

The NSW Aboriginal Land Council, Indigenous Population Projections, NSW, 2006 To 2021 (2008, p.7) indicates *"an accelerated growth for the Indigenous population of NSW during the next 15 years. The total Indigenous population will grow from 152,685 in 2006 to 211,265 in 2021.....the rate of population growth will continue to increase, from 1.8 percent in 2006 to 2.0 percent in 2011, to 2.1 percent in 2016 and 2021.....This accelerated increase suggests an average annual population growth rate of 2.2 percent."*

Given the growing Aboriginal population figures together with an accelerated growth rate the need to focus on sustainable and effective economic development strategies is all the more clear.

It is our belief that in order to drive meaningful change in economic development and participation for Aboriginal peoples in NSW, Aboriginal people must be at the centre of the planning development and implementation process for initiatives to address economic and social prosperity. This includes recognition of Aboriginal jurisdiction and decision making processes and the contribution of these processes to evidence based decision making and planning.

Aboriginal people in NSW have substantial assets in the way of land holdings through the Local Aboriginal Land Council (LALC) network and through other organisations, but are very often unable to utilise them to their full potential.

As an example the Aboriginal Land Rights Review 2012 Working Group report, notes a total of 127,000 hectares of land transfers from Crown Lands to LALCs. The ability to generate economic development outcomes from these lands is hampered by a range of factors including zoning, planning regulations, prohibitive costs and very often the need to divest assets to generate income. These issues are discussed further in this submission.

The LDMRC sees the need to better support Aboriginal peoples to develop their capacity to leverage economic outcomes through more effective utilisation of community assets. The National Economics/Australian Local Government Association State of the Regions 2012-13 report identifies the importance of targeting the existing local asset base to strengthen local capacity and highlights the following building blocks;

- Skills base
- Successful businesses
- Entrepreneurial abilities
- Business and social networks
- Community assets and
- Creative skills.

In addition to this, The United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) clearly recognises;

“the urgent need to respect and promote the inherent rights of indigenous peoples which derive from their political, economic and social structures and from their cultures, spiritual traditions, histories and philosophies, especially their rights to their lands, territories and resources”.

UNDRIP includes several articles (**Attachment A**) which highlight the rights of Indigenous peoples in regard to economic development and participation.

The LDMRC again thanks you for the opportunity to contribute to this inquiry and would welcome the opportunity to provide further information if requested.

Regards

Sam Jeffries
Convenor, Local Decision Making Regional Chairpersons

Chairperson, Murdi Paaki Regional Alliance

2. OCHRE

OCHRE is the NSW Government plan for Aboriginal affairs, it stands for Opportunity, Choice, Healing, Responsibility, Empowerment. *OCHRE* is a response to recommendations of the 2011-12 Ministerial Taskforce on Aboriginal Affairs, the NSW Auditor General and NSW Ombudsman which looked at ways to improve outcomes for Aboriginal people in education and employment, service delivery and accountability.

NSW Government economic development responses under OCHRE include;

- Industry Based Agreements (IBAs): agreements between peak industry bodies and the NSW Government to develop long term partnerships to increase Aboriginal employment and business opportunities in specific industries.
- Public sector employment: Aims to increase the proportion of Aboriginal employees at all levels of the NSW public sector (including doubling the number of Aboriginal and Torres Strait Islander peoples in senior leadership roles by 2021).
- Public sector procurement; The NSW Government is working to increase procurement from Aboriginal owned businesses.
- Aboriginal land and natural resources: The NSW Government works with the NSW Aboriginal Land Council network and other key stakeholders to develop opportunities to improve the management and economic potential of Aboriginal owned land.

3. Local Decision Making

Local Decision Making (LDM) is a NSW Government Initiative under OCHRE that provides a process for Aboriginal regional alliances and government agencies to work together. It sets out a pathway for alliances to have more control in the delivery and coordination of government services, and for government to support community identified priorities, including in the area of economic development. Negotiating and setting priorities for investment and service coordination in communities is being achieved through the negotiation of formal agreements called Accords.

Preliminary discussions being undertaken by regional alliances under LDM indicate that while economic development and participation priorities will be different in each location, economic development will be a consistent priority for the majority of alliances as they commence the accord negotiation process.

4. Local Decision Making Regional Chairs (LDMRC)

The LDMRC forum was established in March 2014, to enable LDM Chairs to discuss issues arising from the implementation of LDM in an open, honest and independent forum. Its primary role is that of an advocacy group on issues that relate to equitable access to basic and essential services, programs and funding for Aboriginal people, as well as development and application of policy. The LDMRC recognises the role of individual regional alliance to negotiate with government and make decisions on behalf of their constituent communities.

Membership of the LDMRC is comprised of representatives from the following Regional Alliances:

- i. Regional Aboriginal Development Alliance (North Coast)
- ii. Illawarra and Wingecarribee LDM Advisory Committee
- iii. Murdi Paaki Regional Assembly (Far West)
- iv. Barang Central Coast Aboriginal Regional Partnership Agreement
- v. Northern Regional Coalition of Aboriginal Peak Organisations (North West)
- vi. Three Rivers Regional Assembly (Central West)

The LDMRC group is an independent forum broadly representing NSW Aboriginal communities and their priorities.

5. Aboriginal Regional Alliances (Under Local Decision Making)

a) Barang Regional Alliance

Barang Regional Alliance is a Central Coast organisation aimed at empowering the Aboriginal community of the Central Coast through a unified voice. Barang currently has six members – Darkinjung Local Aboriginal Land Council, NAISDA Dance College, Bungree Aboriginal Association Inc, Bara Barang Corporation Ltd, Mingaletta Aboriginal Corporation and Ngaimpe Aboriginal Corporation (The Glen). The Board is composed of a representative from each member organisation.

b) Murdi Paaki Regional Alliance

The Murdi Paaki Regional Assembly (MPRA) is the regional Aboriginal governance body for the Murdi Paaki Region representing the interests of Aboriginal and Torres Strait Islander people across Western NSW. The MPRA draws its membership from the 16 participating communities in the Murdi Paaki Region and through Community Governance Structures determined by each community. The Murdi Paaki Aboriginal Young Leaders and the New South Wales Aboriginal Land Council (NSWALC) Regional Councillors are also represented on the MPRA.

c) Northern Region Aboriginal Alliance

The Northern Region Aboriginal Alliance (NRAA), covers Aboriginal communities in the north-west region of NSW, from Tenterfield in the North, Coonabarabran to the west and Singleton to the South. The NRAA geographical footprint takes in 14 LALC's, 14 LGA areas.

NRAA's committee draws its membership from Aboriginal Community Controlled Peak Organisations within the region and covers the Aboriginal communities within and surrounding Tamworth, Armidale, Inverell, Tenterfield, Walcha, Dorrigo, Coonabarabran, Quirindi, Muswellbrook, Glenn Inness, Gunnedah, Liverpool Plains, Uralla, Warrumbungle and Guyra."

d) Regional Aboriginal Development Alliance

The Regional Aboriginal Development Alliance (RADA) covers the Many Rivers region of NSW from Tweed Heads in the north, Karuah in the south and Bellingen to the west. The RADA represents in excess of 60 Aboriginal organisations in the Many Rivers

region. The core membership group being representatives from: Aboriginal Child, Family & Community Care State Secretariat (Absec), Aboriginal Health and Medical Research Centre (AH&MRC), Aboriginal Legal Services (ALS), Local Aboriginal Land Councils (LALC's) and NSW Aboriginal Education Consultative Group (AECG).

e) Three Rivers Regional Alliance (TRRA)

The Three Rivers Regional Assembly region extends from Lithgow in the east of NSW through to Nyngan in the west, covering some 72,326.3 square kilometres. It extends across two regions – the Central Tablelands/Central West and also takes in some of what is known as the Orana region.

The Three Rivers Regional Assembly is comprised of representatives from the twelve (12) communities, including Bathurst, Dubbo, Gilgandra, Mudgee, Narromine, Nyngan, Orange, Parkes, Peak Hill, Trangie, Warren and Wellington.

f) Illawarra Wingecarribee Alliance Aboriginal Corporation (IWAAC)

The Illawarra Wingecarribee Alliance Aboriginal Corporation (IWAAC) was developed having transitioned from an existing RPA Alliance in 2013.

The members of the IWAAC are a representative of 16 Aboriginal Organisations in the Wingecarribee and Illawarra regions. In time the IWAAC is an incorporated structure which is comprised of the signatory organisations of the Illawarra/Wingecarribee Local Decision Making initiative

6. Options for sustainability and capacity building of NSW Aboriginal communities into the future, utilising existing community networks and structures

Understanding Aboriginal Community is crucial in working effectively in this space and is more than just collecting demographics and stats. This requires a clear understanding of the workings of the Aboriginal community, which can only be achieved through consultation with a range of community stakeholders and representative structures (working groups, LALCs, Elders Groups, Special Interest groups and Peak bodies).

Additionally there needs to be more awareness of existing plans and agreements already in place and how to better leverage off these existing documents. There are an abundance of plans and agreements already developed targeting economic development in Aboriginal communities and for the most part these plans generate little in the way of concrete outcomes for Aboriginal people. Accessing these plans and understanding possible implications and leverage points is critical in being able to leverage outcomes.

Quite often simply developing a plan is seen as an outcome with insufficient consideration given to the development process, ongoing monitoring, review and adjustment. Results that are achieved are often relationship driven and rely on the commitment and good work of individuals and champions within organisations to drive activity.

It would be fair to state that the majority of “plans” are generally not Aboriginal community friendly and are either overly bureaucratic or simply a feel good statement

that generates little in the way of outcomes. Due to the sheer number of plans that exist, their differing focuses, owners etc. it is virtually impossible for Aboriginal community to understand who is targeting what and how to leverage off various plans to achieve outcomes.

The current planning and economic development landscape in a given community is complicated and might include the following;

- Aboriginal Community Action Plans
- LALC Land and Business Plan
- Aboriginal Regional Alliance Regional Plans
- Various Local Government plans including e.g. Fit for Future, Far West Initiative, and Local Government Social Plans etc.
- Reconciliation Action Plans, including NGOs and Corporates
- Regional Development Australia, plans
- Various Commonwealth Government Initiatives, including RJCP, JSAs etc.
- NSW Government plans and initiatives including OCHRE and Aboriginal Participation in Construction, Agency specific plans including Aboriginal Employment Strategies

Evidence based planning that generates tangible outcomes for Aboriginal people requires Aboriginal people to be at the centre of the planning development and implementation process. Plans must be informed through genuine consultation and engagement recognising Aboriginal jurisdiction and decision making processes. There is also an expectation that Aboriginal community involvement will be voluntary, this perception needs to change.

Recommendations

- Development of an Economic Development clearing house to assist community and stakeholders in accessing relevant plans and initiatives. (To be led by NSW Government agencies with a responsibility in Economic Development. Should include an independent oversight mechanism, for example through the Aboriginal Deputy Ombudsman's office, an independent Aboriginal organisation with access to all relevant information)
- Commitment / support to more effectively involve Aboriginal community in the development, implementation and review of plans.
- Better government support to leverage off various plans already in place
- Recognition of, and genuine engagement with, Aboriginal Governance structures at a state, regional and community level.

7. Leveraging economic development support, including provided by the Commonwealth Government and the private sector

The LDMRC believes that successful Aboriginal economic development initiatives must focus on cultural, social and economic development opportunities to deliver better economic participation in Aboriginal communities.

With this in mind there are two major areas of interest. Social enterprise development, and leveraging investment through a focus on social conscience / responsibility in the corporate sector.

Social Enterprise

In Australia Social Enterprise is defined as

- Being driven by a public or community cause, be it social, environmental, cultural or economic
- Deriving the bulk of income from trade, not donations
- Use the majority of their profits to work towards their social mission.

There is a clear need for greater recognition of the importance of Social Enterprise to Aboriginal community. Aboriginal economic development initiatives very often struggle to source start-up funding, and investment partners to establish enterprises.

Mechanisms to promote better awareness of support such as establishment of an Economic Development Clearing house could be an effective means of addressing this issue. A clearing house could also be used to highlight successful enterprise initiatives, provide access to networks and share best practice, particularly at a regional level.

Social Conscience / Responsibility

Reconciliation Australia advises that *“more than 500 organisations have an endorsed Reconciliation Action Plan (RAP) with many more in development”*. It further states that, as a result approximately \$81 million of goods and services have been purchased from Indigenous businesses. However the LDMRC feels that RAPs could be made more effective by expanding their focus to identify opportunities to mentor and partner with developing Aboriginal businesses.

Many corporates acknowledge that they have a social responsibility to work with Aboriginal Community, to build capacity and develop opportunities for economic participation. RAPs could provide mechanisms to do this more effectively if they are linked to existing regional and community development plans including, Aboriginal Community Action Plans, LALC Community Land & Business Plans etc.

The LDMRC sees a need for greater government support in identifying economic development opportunities and to attract investment particularly from corporates and private sector. Industry Based Agreements (IBAs) currently being implemented under OCHRE may provide opportunities for this to occur. IBAs are currently limited by their lack of a regional focus, this could be addressed by linking them to economic development priorities identified by regional alliances in their LDM accords at a regional level.

Other Mechanisms

Indigenous Business Australia is a Commonwealth Government organisation that focuses on delivering programs *“to assist Indigenous Australians to buy their own homes, own their own businesses and invest in commercial ventures that provide strong financial returns”*. The LDMRC has concerns that Indigenous Business Australia is unable to deliver consistent outcomes in NSW. There is a feeling that as an organisation it is generally too risk averse, their processes are too long and that

the additional red tape can in fact hinder business development. **(See Case Study Attachment B)**

IBA maintains a more commercial focus which is not conducive to supporting social enterprise initiatives. Gains that are generated tend to benefit IBA rather than community. It is felt that IBA could potentially benefit from adopting a greater focus on socioeconomic outcomes similar to the focus of the Indigenous Land Corporation.

NSW Government holds extensive assets across NSW managed through Public Works. The value of NSW Government owned assets (schools, hospitals housing, offices etc.) needs to be quantified so that a levy of 2% of the total value could be applied for the upkeep and maintenance of that infrastructure. A percentage of that work should be directed to Aboriginal businesses through either single select tendering or competitive tendering processes. This might also include development and funding of an Aboriginal Employment Strategy directly linked to this initiative to ensure sub-contractors are employing Aboriginal people from the communities where work is being undertaken.

The NSW government is developing an (Aboriginal) Prosperity Framework under OCHRE to better coordinate Aboriginal economic development across NSW. The LDMRC is keen to see how this progresses and the outcomes achieved. It is vital to ensure that Aboriginal people are directly involved in the ongoing development monitoring and evaluation of these initiatives.

Recommendations

- Development of an Economic Development clearing house to assist community and stakeholders in accessing relevant plans and initiatives. (to be led by NSW Government agencies with a responsibility in Economic Development)
- Consideration to developing better linkages between Reconciliation Action Plans and Aboriginal Community planning processes
- Development of regional Industry Based Agreements that link to priorities identified through Local Decision Making Accords
- Regional Alliances participating under LDM to be involved in ongoing development, monitoring and evaluation of initiatives directly affecting them.
- Value of NSW Government owned assets (schools, hospitals housing, offices etc.) to be quantified with a levy of 2% of the total value applied for the upkeep and maintenance of that infrastructure. A percentage of that work should then be directed to Aboriginal businesses through either single select tendering or competitive tendering processes.

8. Establishment and sustainability of Aboriginal owned enterprises

As at the 2011 census the NSW Aboriginal population was approximately 172,625, an increase of 24.6 per cent from 2006, and the largest Aboriginal population for any state or territory. The median age for the New South Wales Aboriginal and Torres Strait Islander population is 21 years, compared to the national median age of 37. Given the projected Aboriginal population figures together with an

accelerated growth rate, the need to focus on sustainable and effective economic development strategies is all the more urgent.

Over the years governments have developed a number of economic development strategies to address the disparity in economic participation between Aboriginal and non-Aboriginal communities and individuals. Difficulties in accessing finance to support Aboriginal enterprise and business development continues to be an inhibiting factor, and as such Aboriginal access to finance must be addressed. Flexible and creative solutions are required.

NSW Government has introduced changes to Procurement Guidelines, Participation in Construction Guidelines and is developing an Economic Prosperity Framework. Further initiatives such as low interest, no deposit, Government loans, incentives for start-ups, seed funding, management training and mentoring should all be investigated. More emphasis is required on investing in Aboriginal business creation with a view to purchasing services from those businesses created.

The LALC Network holds land assets estimated to be worth approximately \$820 million (2011 figures), with land values along the coast significantly higher than those inland. This includes approximately 127,000 hectares of land transfers of Crown Lands to LALCs under the Aboriginal Land Rights Act (ALRA) (ALRA, Review Working Group report, 2012). The ability to generate economic development outcomes from these lands is hampered by a range of factors including zoning, planning regulations, prohibitive costs and very often the need to divest assets to generate income.

In addition to the obvious impacts on initiatives that are affected by delays in determining land claims, zoning of land transferred to LALCs subsequent to successful land claims can become a further issue. Transferred land is subject to zoning at the date of transfer, not the date of the claim. Delays in determining land claims often means LALCs often get land zoned as conservation space, not residential or commercial.

Development of land by LALCs for commercial or residential purposes is often by means of a joint venture with a development partner. Many LALCs do not have the capacity or the cash flow to borrow funds to meet the significant up-front costs of a development. Developing land usually requires that LALCs lose title to the land, sharing profit generated with the developer/partner. Investment constraints under the ALRA further limit profitability and sustainability in these instances. **(See letter from Orange LALC Attachment C)**

The provision of funding to meet up-front costs of land development would be a significant boost to the ability of LALCs to develop their land holdings. It should be noted that NSWALC now has an economic development policy which provides some grants for initial costs. This also includes a component for low or no interest loans for economic development with a provision for NSWALC to take up equity in a LALC economic enterprise. There is a perception that NSWALC is too risk averse in its evaluation of proposals and as a result funding is difficult to access.

It should be noted that, while there are 120 Local Aboriginal Land Councils across NSW, forming the core of the organisational structure of the land rights network, not all Aboriginal people are LALC members (approx. 15% are LALC members based on 2009 figures). This means that not all Aboriginal people in NSW are in a position to benefit from Land Council initiatives. Some thought needs to be given to how outcomes generated from LALC assets are delivered to Aboriginal people who are not LALC members and to support those seeking assistance with their own businesses.

Recommendations

- Consideration to be given to identifying and implementing flexible and creative responses to address difficulties in accessing support for enterprise development, including long term business mentoring and development of management capacity
- Initiatives to be developed to support new business and business creation including seed funding, management training and mentoring. Including investing in Aboriginal business creation with a view to purchasing services from those businesses created.

9. Conclusion

There is clear anecdotal evidence demonstrating the links between successful economic development initiatives and community and social wellbeing. Critical to achieving successful outcomes in Aboriginal communities is the need to fully involve Aboriginal people in the development and implementation of solutions, and within the monitoring, evaluation and review of initiatives. This can only be achieved through meaningful consultation, engagement and recognition of Aboriginal jurisdiction.

For Aboriginal communities to take part in developing effective responses and initiatives they must be able to access relevant information, including being able to locate and use appropriate data and have access to existing plans and strategies to leverage support.

Flexible and creative responses are required to address difficulties faced by Aboriginal people and organisations in accessing support for enterprise development. This includes consideration of legislative constraints and development of initiatives that support new business and business creation.

10. Recommendations

Options for sustainability and capacity building of NSW Aboriginal communities into the future, utilising existing community networks and structures

- Development of an Economic Development clearing house to assist community and stakeholders in accessing relevant plans and initiatives. (To be led by NSW Government agencies with a responsibility in Economic Development. Should include an independent oversight mechanism, for example through the Aboriginal Deputy Ombudsman's office, an independent Aboriginal organisation with access to all relevant information)

- Commitment / support to more effectively involve Aboriginal community in the development, implementation and review of plans.
- Better government support to leverage off various plans already in place
- Recognition of, and genuine engagement with, Aboriginal Governance structures at a state, regional and community level.

Leveraging economic development support, including provided by the Commonwealth Government and the private sector

- Development of an Economic Development clearing house to assist community and stakeholders in accessing relevant plans and initiatives. (to be led by NSW Government agencies with a responsibility in Economic Development)
- Consideration to developing better linkages between Reconciliation Action Plans and Aboriginal Community planning processes
- Development of regional Industry Based Agreements that link to priorities identified through Local Decision Making Accords
- Regional Alliances participating under LDM to be involved in ongoing development, monitoring and evaluation of initiatives directly affecting them.
- Value of NSW Government owned assets (schools, hospitals housing, offices etc.) to be quantified with a levy of 2% of the total value applied for the upkeep and maintenance of that infrastructure. A percentage of that work should then be directed to Aboriginal businesses through either single select tendering or competitive tendering processes

Establishment and sustainability of Aboriginal owned enterprises

- Consideration to be given to identifying and implementing flexible and creative responses to address difficulties in accessing support for enterprise development, including long term business mentoring and development of management capacity
- Initiatives to be developed to support new business and business creation including seed funding, management training and mentoring. Including investing in Aboriginal business creation with a view to purchasing services from those businesses created.

United Nations Declaration on the Rights of Indigenous Peoples

The Declaration, is a result of more than 20 years of research and discussion at the United Nations. It is a non-binding document that sets out how existing human rights standards apply to the recognition and protection of Indigenous peoples’ rights internationally.

The Australian Government officially endorsed the Declaration on 3 April 2009. In issuing its statement in support of the Declaration, Australia accepted the document as a framework for recognising and protecting the rights of Indigenous Australians.

Extracts from the Declaration that relate to economic Development are:

UNDRIP

Recognizing the urgent need to respect and promote the inherent rights of indigenous peoples which derive from their political, economic and social structures and from their cultures, spiritual traditions, histories and philosophies, especially their rights to their lands, territories and resources,

Article 3.

Indigenous peoples have the right of self-determination. By virtue of that right they freely determine their political status and freely pursue their economic, social and cultural development.

Article 5

Indigenous peoples have the right to maintain and strengthen their distinct political, legal, economic, social and cultural institutions, while retaining their rights to participate fully, if they so choose, in the political, economic, social and cultural life of the State.

Article 21

1. Indigenous peoples have the right, without discrimination, to the improvement of their economic and social conditions, including, inter alia, in the areas of education, employment, vocational training and retraining, housing, sanitation, health and social security.

2. States shall take effective measures and, where appropriate, special measures to ensure continuing improvement of their economic and social conditions. Particular attention shall be paid to the rights and special needs of indigenous elders, women, youth, children and persons with disabilities.

Article 23

Indigenous peoples have the right to determine and develop priorities and strategies for exercising their right to development. In particular, indigenous peoples have the right to be actively involved in developing and determining health, housing and other economic and social programmes affecting them and, as far as possible, to administer such programmes through their own institutions.

Article 32

1. Indigenous peoples have the right to determine and develop priorities and strategies for the development or use of their lands or territories and other resources.
2. States shall consult and cooperate in good faith with the indigenous peoples concerned through their own representative institutions in order to obtain their free and informed consent prior to the approval of any project affecting their lands or territories and other resources, particularly in connection with the development, utilization or exploitation of mineral, water or other resources.
3. States shall provide effective mechanisms for just and fair redress for any such activities, and appropriate measures shall be taken to mitigate adverse environmental, economic, social, cultural or spiritual impact.

“Attachment B”

Dreamtime Tuka was founded by Herb Smith. Herb is a Wellington Wiradjuri man who is proud of the fact he is a direct descendant through his family bloodline to the original Aboriginal Inhabitants of the Wellington Valley. Dreamtime Tuka is 100% Aboriginal owned and operated.

Dreamtime Tuka is a member of the Indigenous Chamber of Commerce and Supply Nation. It is also listed on the NSW Government Procurement Register. These memberships have assisted the organisation in linking with a network of indigenous and corporate businesses, while adhering to the guidelines and deliverables for the organisations.

Dreamtime Tuka aims to create recognition of the nutritional and gourmet value of native foods to people of all nationalities both in Australia and across the world. Dreamtime Tuka is focussed on delivering quantity orders to the corporate market and recently was awarded a national tender with Qantas Airways Ltd.

To ensure that Dreamtime Tuka could fulfil commitments, Herb enquired to IBA, IAS and Wesptac Banking Corporation regarding assistance in establishing a new factory in the rural township of Wellington to supply product for national and regional contracts. The benefits of this for a small community in developing multinational contracts, would provide opportunities including jobs, training and business development for the Wellington LGA.

However the all enquiries have been met with delayed and long-drawn out processes that seem to be incapable of driving Aboriginal businesses forward. This has now jeopardised the national contract and overall sustainability of an Aboriginal business that is not in the conceptual stage.



"Attachment C"

Orange Local Aboriginal Land Council
 42 Dalton St, Orange NSW 2800
 PO Box 10, Orange NSW 2800
 Ph: 02 6361 4742
 F: 02 6361 9119
 E: admin@olalc.com.au

Michael Newman

Project Officer

Aboriginal Affairs – Greater Western Region

65 Church Street,
 Dubbo NSW 2830 |

Dear Michael

I wish to submit a letter of concern to the Regional Chairs of the LDM in relation to our dealings with Indigenous Business Australia (IBA).

Orange LALC has been working with IBA for over 4 years to establish a Motel in Orange on land owned by the LALC. The project will provide an estimated 50 fulltime equivalent employment opportunities with a targeted 80% of these being identified.

The issues we would like to raise are:

- IBA have continually changed their mind
- We are uncertain as to what their lending criteria and eligibility are.
- The initial response from IBA was that they would only partner if they were the sole investor in the project, then when it went to the finance team we were informed that they could not lend on the feasibility which they commissioned through Grant Thornton Accounting. We have been discussing this partnership with one of the world's largest Hotel Chains ACCOR who believe this a very viable project.
- 2014 IBA provided funds to gain a new feasibility and develop a D.A, this was completed in Dec2014
- 2015 they provided funds to acquire services from an Independent Industry Specialist consultant this being Mark & David Berry.
- The latest information shows that this is a viable project however IBA have stated that now they are only able to invest \$5M into the project, and are seeking assistance from ILC for \$5.2M, and stating that the LALC will need to provide \$8M.

As stated we are confused as to what the role of IBA is in relation to Economic Development with Aboriginal Communities.

OLALC board have requested a meeting with Minister Scullion to discuss this issue and to seek clarity before submitting a Ministerial.

Support from the Regional Chairs would be appreciated.

If you require any further information please contact me.

Yours Sincerely

Annette Steele

CEO

Orange Local Aboriginal Land Council