

**Discussion
paper
response -
Submission
No 41**

INQUIRY INTO ECONOMIC DEVELOPMENT IN ABORIGINAL COMMUNITIES

Organisation: NSW Minerals Council

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Standing Committee on State Development
Parliament House, Macquarie Street
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By email: State.Development@parliament.nsw.gov.au

NSWMC Submission on NSW Inquiry Discussion Paper - Economic Development in Aboriginal Communities

Dear Ms Main

The NSW Minerals Council (NSWMC) welcomes the opportunity to provide further input into the NSW Legislative Council's Standing Committee (the Committee) on the State Development's inquiry into Economic Development in Aboriginal communities (the Inquiry) in response to the publication of the *Discussion Paper: Economic Development in Aboriginal Communities* (Discussion Paper). This submission follows our original submission into the Inquiry dated 26 February 2016.

With around 100 member companies including mineral explorers, producers, operators and suppliers, the NSW Minerals Council is the peak industry association representing the State's \$21 billion minerals industry.

As noted in our previous submission, the NSW minerals industry is a significant economic contributor to Aboriginal communities, both directly through employment and enterprise development, and indirectly through supporting broader economic opportunities and communities. NSW is a mining state and the minerals industry makes an integral contribution to the economy of NSW especially in regional areas. The NSW minerals industry is committed to engaging with and employing Aboriginal people. Working with Aboriginal communities is considered 'core business' by our industry.

The NSW minerals industry commends the Committee on publishing a comprehensive Discussion Paper that includes acknowledgement by the Chair of the issues, failures and intent to make recommendations that will lead to real change to end economic disadvantage for NSW Aboriginal communities. We also note that many of the initiatives that benefit Aboriginal communities also benefits the broader community, especially in regional NSW.

In response to the questions posed in the Discussion Paper, NSWMC provides the following comments:

1. Support the need to drive reform (questions 1-3)

The NSW minerals industry strongly supports the need for the NSW Government to adopt a whole of Government approach to drive reform for Aboriginal economic development. The issues facing Aboriginal communities are long term and unfortunately will not be easily nor quickly remedied. These issues are of such importance to NSW that a comprehensive, well targeted, carefully implemented, multi-generation strategy that harnesses the efforts of the public, private and not-for-profit sectors is required to deliver meaningful outcomes. In addition, a clear set of measurable goals is needed.



NSWMC recommends that the whole of Government approach should be bipartisan and supported by a taskforce to implement identified reforms. The initiative of OCHRE should be extended to include the recommendations of this Inquiry to support Aboriginal economic development. This strategy deserves strong support from all sides and levels of Government to ensure that momentum and focus is maintained.

Importantly this taskforce must be supported by strong and effective secretariat with a focus on action and outcomes. Co-ordination within Government will be crucial to ensure that the “siloes” approach noted by the Chair in the Discussion Paper does not delay nor derail reform. Further, the strategy should be subject to periodic independent reviews to ensure that the focus remains on long-term objectives not short-term initiatives that duplicate, fragment or distract from the overall strategy.

2. Partner with industry to drive Aboriginal economic development (questions 4-5)

As detailed in our previous submission to the Inquiry, the minerals industry’s *Industry Based Agreement for Aboriginal Employment and Enterprise Development* (IBA) was first signed in 2013 and was renewed in 2015. The Agreement is now open ended in terms of duration but requires an annual review to be undertaken. There is currently no NSW Government funding for the Minerals Industry IBA. The original funding under the IBA totalled \$200,000, and was fully transferred by June 2015 with the expenditure of those funds almost fully completed by June 2016.

The objectives enshrined in the IBA Agreement, clearly align with a number of the Premier’s 12 priorities - including creating jobs, improving education results and protecting our kids.

The outcomes from the NSW minerals IBA have included:

- Building of relationships and networks between Aboriginal businesses, Aboriginal communities and the minerals industry including engagement with regional bodies
- Commitment to the Clontarf Foundation and recently to the Girls Academy to partner and deliver support for the education and empowerment of Aboriginal girls and boys
- Memorandum of Understanding between NSWMC and the NSW Indigenous Chamber of Commerce to deliver outcomes and build capacity
- Two annual one day conferences to promote Aboriginal businesses within the mining sector
- Workshops for Aboriginal business on procurement in the minerals industry
- Industry award for excellence in Aboriginal employment and enterprise development
- Mentoring for Aboriginal businesses.

NSWMC strongly recommends that the NSW Government commits to continue supporting and funding the IBA over the medium term. Only modest funding is required to be effective. As noted in our previous submission, \$200,000 over three years would enable the NSWMC to continue delivery of capacity building initiatives for Aboriginal enterprises in partnership with the NSW Indigenous Chamber of Commerce, whilst at the same time building the capacity of the NSW Indigenous Chamber of Commerce itself.

3. Support programs to build capacity of individuals, especially Aboriginal students (questions 6-8)

NSWMC endorses the focus of the Discussion Paper on education for Aboriginal children as the key to breaking the cycle of poverty that continues to undermine efforts to close the gap between Indigenous and non-Indigenous Australians.

NSWMC has supported the Clontarf Foundation, an organisation that works to improve education and empowerment of Aboriginal boys, directly since 2014. We have promoted the work of the Foundation to NSWMC members which has seen the Foundation leverage NSWMC’s contribution by more than six times, with support from members continuing to grow.



Following extensive due diligence, NSWMC has recently partnered with the Girls Academy to provide equivalent support for Aboriginal girls. The Girls Academy provides a comprehensive, holistic and multi location program to support Indigenous girls. The Girls Academy is an initiative of the Australian Association for the Development of Role Models & Leaders Limited, an organisation founded in 2004 to address the inequality in investment of educational support programs for Indigenous girls. The organisation is a not-for-profit public company limited by guarantee with registration as a charitable organisation. The Girls Academy currently has over 1,000 students in 12 Academies across 16 locations throughout WA, NT and one in NSW.

On the ground school principals report that the Girls Academy and Clontarf Foundation provide equivalent services to students and work together where appropriate. Following recent confirmation of Federal Government funding, the organisation plans to expand to 1,000 students in NSW by 2017. This is especially important to redress the balance for the schools or areas where there is currently an operating Clontarf Foundation academy for boys but no equivalent for Indigenous girls.

NSWMC has partnered with these organisations because industry considers that intensive pastoral care programs coupled with a focus on performance monitoring offers the best available means of achieving verifiable and sustained improvements in the areas of education, employment, criminal offending and health. Further both programs provide community specific cultural activities in their programs, importantly including mentoring with Aboriginal elders.

Funding for both the Girls Academy and Clontarf Foundation is dependent on a third from each of the Federal Government, State Government and private/corporate support. The Federal Government has recently announced \$5 million funding for each of Girls Academy and Clontarf Foundation. The NSW Government must ensure the State contribution to these proven programs is guaranteed to ensure their expansion in NSW. The Discussion Paper quotes the Hon. Adrian Piccoli MP, Minister for Education "*The maximum Department contribution will be \$2,500 per student with 50 per cent of the cost per student per year (\$1,250) being met directly by participating schools and the remaining amount funded through the Department's Aboriginal Communities Directorate*". Schools are regularly stretched for funding and the State Government should ensure funds are confirmed to minimise delays in NSW expansion plans.

The NSW Government's decentralised funding model should not be permitted to place at risk this expansion. The Clontarf Foundation has previously reported difficulty securing funding from local schools, which highlights that the difficulty of relying on school principals to provide some or all of the NSW Government one third share of these critical programs. The Clontarf Foundation in their original submission to the Inquiry noted that their participants save Government \$243,000 over their working life in welfare payments, health and offending/imprisonment costs and contribute more than \$51,000 more income tax, concluding that for every \$1 investment per participant, the program returns \$8.13. As the benefits of both the Clontarf Foundation and Girls Academy programs are reflected in reduced public expenditure in the areas of health, juvenile justice and education, the costs should also be met from across those budget areas.

In response to the questions on the Opportunity Hubs, NSWMC recommends that to develop stronger pathways to meaningful employment opportunities, work could be done collectively by education and life skills program providers such as the Girls Academy and Clontarf Foundation supported by the NSW Indigenous Chamber of Commerce (were it adequately resourced). Whilst the intent of the Opportunity Hubs was undoubtedly sound, in practice it is questionable whether it has delivered efficient and effective outcomes. We believe it would be far better to support existing credible, professional organisations with sound governance structures that specialise in this space.

4. Build capacity of Aboriginal organisations through peak bodies (questions 9-16)

As with education, NSWMC supports existing effective organisations rather than duplicating these with Government programs.



The NSW Indigenous Chamber of Commerce should be supported by Government to maintain and extend the important work of this organisation. The Chamber mentors, provides networks and builds the capacity of Aboriginal business and social enterprises to support and increase their access and participation in the mainstream economy. Government support could be either in the form of seconded staff or direct funding or preferably both to ensure the Chamber has ongoing capacity and opportunities for expansion.

5. Clarify the issues of “Land and Water” (questions 17-22)

The issues of “land and water” described in the Discussion Paper would be resolved at least in part through the finalisation of legislative reform of Aboriginal cultural heritage. Reform of the Aboriginal cultural heritage legislative framework has been in progress for many years, with the Government most recently providing a model for reform in September 2013. Strong leadership is needed by the NSW Government to drive reform and bring resolution to this long-term issue and ensure stability for future development. It is disappointing that NSW is so far behind and out of step with other Australian jurisdictions that undertook this reform work years ago.

The cultural heritage issues that are particularly relevant to Aboriginal economic development include the clarification of who should speak for Country and the separation of Aboriginal cultural heritage and employment opportunities. NSWMC believes that Aboriginal people should be empowered and supported in sustainable employment and economic development and not reliant on the short-term employment typical of survey work or similar provided as part of assessment of Aboriginal cultural heritage.

Conclusion

NSWMC commends the Committee on this comprehensive Inquiry into the critical matter for NSW of Aboriginal economic development. The minerals industry looks forward to the publication of the Committee’s findings and recommendations and importantly the following actions by the NSW Government to deliver outcomes. NSWMC and its members will continue to support Government efforts to eliminate the economic disadvantage experienced by Aboriginal Australians.

Please do not hesitate to contact me on _____ or email _____ if you have any queries on this matter.

Yours sincerely

Greg Sullivan
DIRECTOR POLICY