

INQUIRY INTO ECONOMIC DEVELOPMENT IN ABORIGINAL COMMUNITIES

Organisation: Ms Roxanne Smith

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I Roxanne V Smith of _____, wish to lodge a late submission to the committee. I am an Aboriginal woman who has been employed by the State Government for over 13 years to assist Aboriginal business owners, the last 5-6 have been more focussed on other tasks due to a change in commitment of the government.

I am passionate about Aboriginal economic development coupled with community development and was hoping that I would be given the chance to be able to respond to the committee via my employment- but I feel that the response given was a very bureaucratic one and as such I have decided to come forward as an individual and make my own response.

I understand that the submission is very late and therefore it may not be considered but I have put a lot of thought and research and undertaken a lot of qualitative and quantitative research, and worked with a plethora of Aboriginal businesses over the years and hope that I can add a holistic view of the current status and define some possible scenarios for the way forward in developing economic parity for my people.

This submission is not representative of my department nor is it checked or approved by them. This is my personal submission done on my passion, knowledge by working with over 500 Aboriginal businesses over the past 10 years and watching their hurdles and their successes. By trialling many programs, assessing their impact and changing what I do to hopefully improve outcomes and by listening to the Aboriginal business owners, community and those looking to get into business.

Name: Roxanne Smith

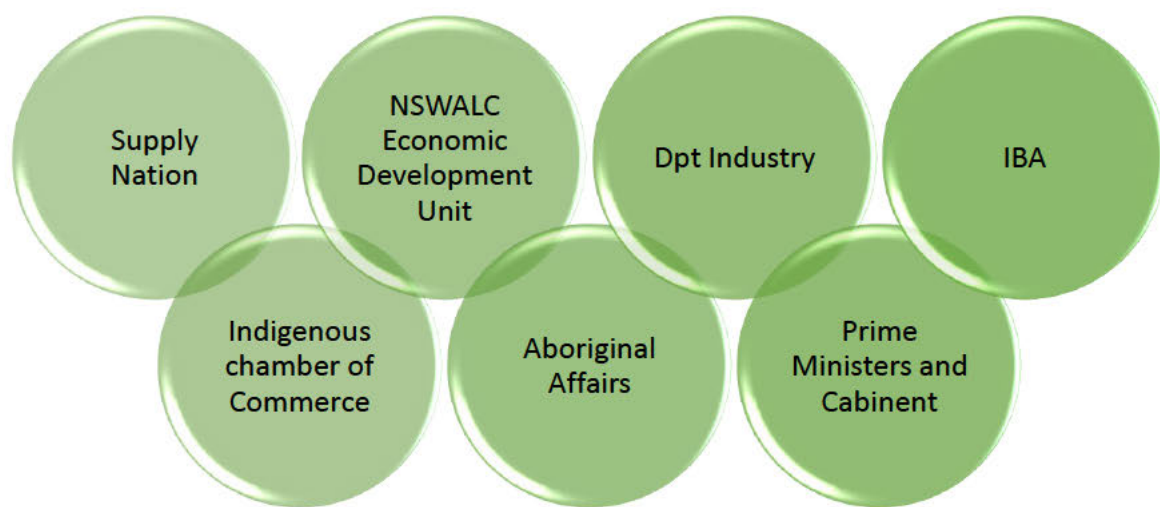
1. That the Standing Committee on State Development inquire into and report on strategies to support economic development in Aboriginal communities in New South Wales, including but not limited to:

(a) options for sustainability and capacity building of NSW Aboriginal communities into the future, utilising existing community networks and structures

Although the rhetoric signals a different line the government is still focussed on delivering very little mostly and then trying to fill the gaps with knee jerk reactions to requests from various people in terms of service delivery

Basically the field at the moment looks like this: (see diagram next page)

Each of these organisations is trying to supply some sort of service to Aboriginal Business owners, there is also TAFE, VET, AEDO, ILC, various University and professional development/mentoring programs and a number of policies and minor support within Departments relating to these ie Finance and Procurement.



The lack of a unified and defined support structure or of an identified business lead agency to deliver and administer and receive funding allocation has left the need of Aboriginal people and communities high and the desire of those many to help who can see the gaps try to “putty” the gaps with short term (often very good concepts) to help but no consistent or sustainable holistic options.

As such we often have people with very little business savvy skill directing Aboriginal people and communities and again not providing a holistic and thought out service that attempts to ensure that the best utilisation is made of resources. We often don’t “look” before we leap to action, often reinventing the wheel and not necessarily changing the status quo. Sadly I have seen many business suffer through lack of incorrect information regarding taxation etc.

An example of this would be:

Aboriginal business directory

The then NSW State and Regional Development had a very good Aboriginal Business Directory established prior to the development of Supply Nation and Indigenous Chamber of Commerce. This Directory was a standalone site that enabled Aboriginal business to upload their data and was then checked by a staff members and made public. It included photos, logos, general information and services of the business.

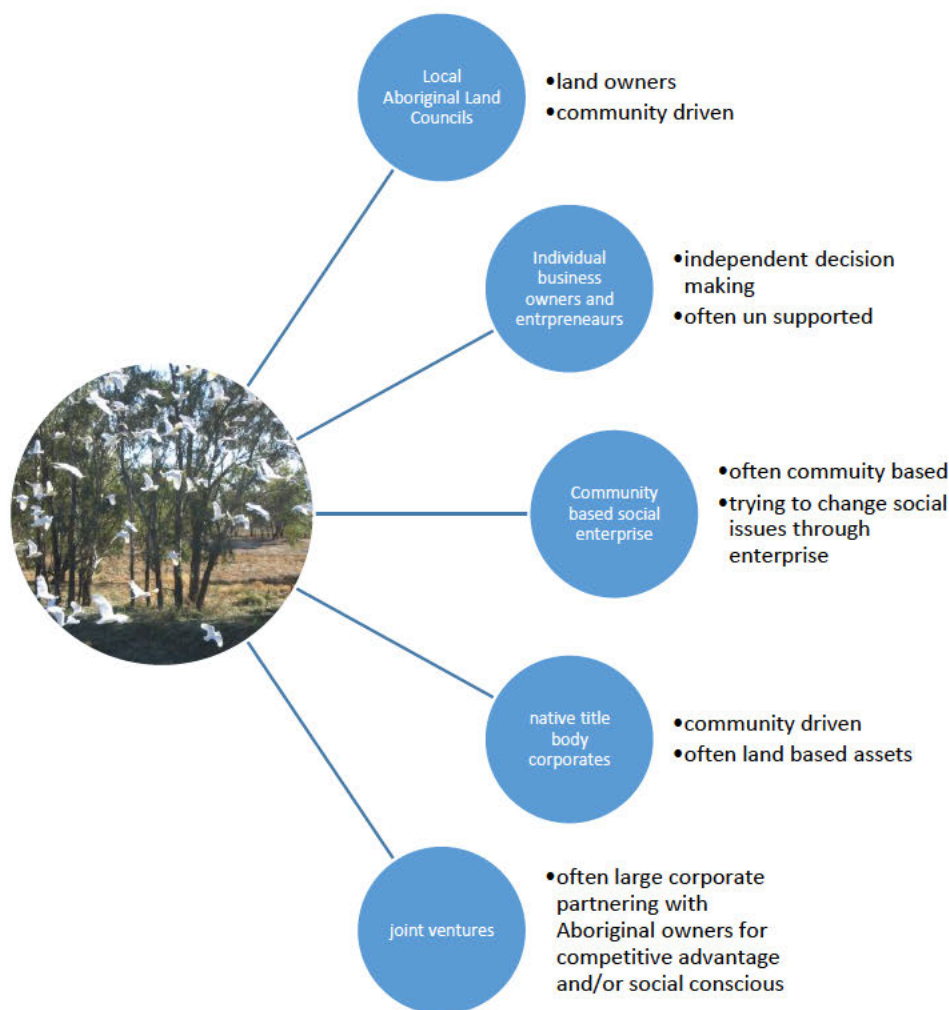
Despite the funds that were put into this development the NSW Government again paid for the NSW Indigenous Chamber of commerce to develop an Aboriginal business/supplier directory and of course supply Nation also developed one.

All 3 still exist.

Both the NSW Indigenous Chamber of commerce and Supply Nation approached the Department of Industry and requested and received an excel spreadsheet of the database enabling them to simply copy and post the data so we were in fact never creating anything new. The Buy NSW Aboriginal Business Directory is unheard of in most agencies in fact I was speaking with Finance a few weeks ago and they did not know it existed at a senior level.

Thus the knee jerk reactions, someone says we need it, no one looks to see if we do, and suddenly it is funded again.

There are a number of key structures for Aboriginal Business Development in the state of NSW:



At the moment there is a mass of small unlinked services that do not look at the provision of providing a sound base across Aboriginal communities and individuals for business development in NSW in a holistic way.

The report of Economic development services that was commissioned back in 2006 did little to pave the way to a better and more sustainable use of combined resources. It basically provided the excuse to do nothing for a long period of time.

In order to move forward I believe the NSW Government needs to

1. Determine it priority for supporting Aboriginal economic development and commit the appropriate funds to the implementation of this
2. Ensure that they don't create a hierarchy of services that are trying to outdo each other for \$ rather than provide the service.
3. Clearly define a lead agency that is focused on economic/community development and is well versed and knowledgeable on the services that exist and able to combine and network across agencies and departments and stakeholders to develop programs that cross over and utilise areas of expertise and fill the gaps in capacity for the organisations, individuals and communities that are looking to develop enterprises. This agency does not have to do everything the idea of a one stop shop is a cop out and can not possibly work as different people respond to different services, delivery and people BUT it must be able to seamlessly pull all or the required ones together to develop a holistic package when necessary.
4. Enshrine the importance of Aboriginal economic development in all of its organisations and boards ie Jobs 4 NSW, Tourism etc.
5. Map current services – this should not hold up service delivery for more years and should be able to be done by a competent person in a week.
- 6) Identify gaps
- 7) Develop a suite of products to address gaps in service, and to help build capacity and grow Aboriginal business
- 8) Do not confuse economic development with social development but do not underestimate the impact that social development has in making an enterprise successful.
- 9) Do not develop programs that focus on developing more pieces of paper for communities but that develop capacity and build business, implementing ideas and concepts.
- 10) do not think that there is one solution for all – yes some models will be able to be implemented across different regions and areas and some solutions will be similar but each problem, each success and each set of human beings has their own nuances and should be respected for their individuality.
- 11) Provide flexibility in delivering and criteria for accessing programs.

The Aboriginal business Development team in State and regional Development had a very small budget but managed to touch and help build a lot of businesses with that- we don't have to look at endless supply of dollars as often that is not the main ingredient needed for success.

We should not set up a whole new structure of community working groups that Aboriginal businesses need to answer to – a private business led by an Aboriginal person is a legitimate goal and should not be subject to community interference or input other than normal market forces.

I have attached a number of papers that I have developed and program proposals that I have put together – to no avail in the attempt to gain support from the NSW Government for Aboriginal economic development.

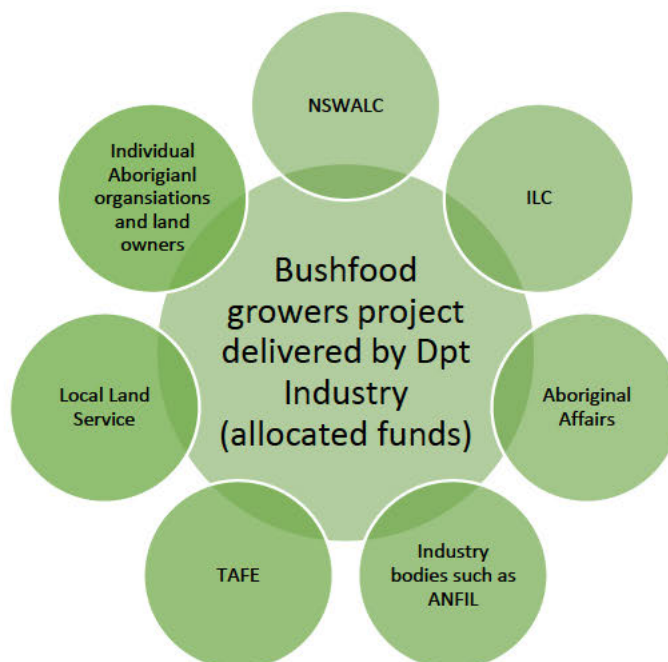
(b) leveraging economic development support, including provided by the Commonwealth Government and the private sector

Once you have mapped the concepts and the gaps, and have people working in the field that understand both Aboriginal culture, history and people and Business it is easy to develop programs that bring in a range of support agencies and funding bodies.

Please refer to Bushfood sensations project – this was a project that IBA, DEWR, private companies and DSRD all funded. Additional support for some businesses was sought from local government, and even FACS. DEWR paid the majority of the funding to then DSRD who administered the project, coordinated and gained additional support and funding that was needed by each enterprise on a case by case basis. Clayton Donovan was one of the original participants of this project- this project helped him become the icon that he is today. It also began to put Bushfoods further on the map of the eating thoughts of both the Australian and the international markets.

The current Bushfood growers project and procurement ideas are based on this model of combining services and assets and ensuring that we utilise what exists to build something better. This is not a difficult process and just requires a sound direction and leadership from above and support for those that are trying to develop holistic programs. TAFE have recently agreed to look at funding an away from base horticulture program for the participants in the bushfood growers project to ensure that formal skills development is included in the suite of services and support and that the group of people starting in their field can support and assist each other as they move forward with their projects.

Bushfood growers project consists of all of the partners below plus more.



We also need to make sure that what we do – works.

At the moment our procurement policies do not. The Board directive of \$150,000 contracts is hardly used and many government workers do not know about it or how to utilise it and many senior managers put up unnecessary barriers to procurement off Aboriginal firms trying to make a simple process difficult – because we all know if it is easy it must be wrong.

Please refer to attachments.

Other projects that have been implemented across a range of providers with joint funding include:

1. Recent short term procurement project in the Northern Rivers Region , Developed by Dpt Industry, funded by Prime Ministers and Cabinet and supported and assisted by Department Finance, TAFE, Aboriginal Affairs and many more. (info attached)
2. Building Futures Moving forward- program developed by DSRD Roxanne Smith- negotiated almost full funding from prime Ministers and Cabinet who paid DSRD directly to implement and develop. Project included interview all trade people we could find and holding a 3 day conference to develop a way forward for Aboriginal owned trades. Additional support provided by then Fair trading, Master Builders, Aboriginal affairs, IBA, TAFE. DEWR funding an additional study but \$ were managed and allocated to one for the building companies (Kempsey) and it went in receiver ship during the 2nd phase.
3. Dhaganha (info attached) – never implemented as funding was stopped in DSRD. This project would still be helpful today
4. Bushfood growers project (info attached).

(c) establishment and sustainability of Aboriginal owned enterprises.

Aboriginal people and communities are eager to develop and build a range of community and independent enterprises across a vast genre of industries.

In the past I believe that Government has encourage communities to go in too big often not enabling the skills to develop across a timeline to ensure the process is sustainable- we should also look at the process of creation and failure or closure as a part of the learning cycle, this process develop skills and is a normal part of business.

Over the years I have seen the following barriers and believe they can be categorised into a few main areas:



start up

- basic business skills
- defining your product
- presenting and promoting your products
- pricing and quality control
- financial management
- knowing a con when you see one
- licensing and permits



early growth

- HR issues
- financial management and taxation compliance
- legal
- marketing and promotion
- capital costs of growth
- maintaining interest in your product-diversification



spreading your wings

- expanding your market
- quality control
- presentation
- export
- understanding contracts
- governemnt procurement
- policies and prcedures, standard operating systems

Some of the gaps I have identified include:

- Mainstream government business support programs usually exclude Aboriginal business through the level of the selection criteria
- No one is providing a basic business support program to help business with the hurdles and costs associated with IP, trademarks, marketing, innovation especially patents, tradeshow attendance, etc

I have attached the following documents for you

- 1) EDP project on Aboriginal tourism
- 2) Dhaganha (come visit me) holist Aboriginal tourism development project that was approved and then cancelled (I developed project and initially engage SCU to help implement until it was canned – concept and inclusion development came from interviews undertaken with Aboriginal communities through above EDP project)
- 3) Bushfood sensations project
- 4) evaluation of previous Aboriginal economic development programs put together by myself and Paul Shenck to try and encourage the department to fund these programs again
- 5) Bushfood growers program Stage 1 implemented
- 6) Procurement project brief