

**REPORT OF PROCEEDINGS BEFORE**

**STANDING COMMITTEE ON STATE DEVELOPMENT**

**INQUIRY INTO ECONOMIC DEVELOPMENT IN  
ABORIGINAL COMMUNITIES**

**CORRECTED PROOF**

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**At Sydney on Friday 26 February 2016**

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**The Committee met at 9.30 a.m.**

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**PRESENT**

The Hon. Greg Pearce (Chair)

The Hon. Mick Veitch (Deputy Chair)

The Hon. Rick Colless

The Hon. Sophie Cotsis

The Hon. Paul Green

The Hon. Shayne Mallard

**CHAIR:** Thank you for coming along and welcome everyone to the first hearing of the Standing Committee on State Development's Inquiry into Economic Development in Aboriginal Communities. At the outset I acknowledge the Gadigal people who are the traditional owners and custodians of this land and, on behalf of all of us, I would like to pay respect to elders past and present of the Eora nation and extend that respect to other Aboriginals present. Today is the first of a number of hearings we plan to hold for this inquiry. The Committee is eager to investigate how economic development can provide jobs, resources, opportunity and education for Aboriginal communities in New South Wales. We will be travelling across the State during the first half of the year to visit stakeholders and conduct hearings. Today we are hearing from a number of witnesses including representatives from various government agencies, Indigenous Business Australia, NSW Aboriginal Land Council, Indigenous Land Corporation, Tribal Warrior Association, the NSW Indigenous Chamber of Commerce and an academic, Dr Janet Hunt.

Before we commence I have to make a few brief comments about the inquiry and procedures for the hearing. The first relates to broadcasting guidelines. In accordance with broadcasting guidelines while members of the media may film or record Committee members and witnesses, people in the public gallery should not be the primary focus of any filming or photography. I remind media representatives that they must take responsibility for what is published about the Committee's proceedings and it is important to remember that parliamentary privilege does not apply to what witnesses may say outside their evidence at the hearing.

I urge witnesses to be careful about any comments you make to the media or to others after you complete your evidence, as such comments would not be protected by parliamentary privilege if another person decided to take any action for defamation. The guidelines for the broadcast of proceedings are available from the secretariat. Media representatives who are not accredited to the Parliament press gallery should approach the secretariat to sign a copy of the broadcasting guidelines. In relation to questions on notice, witnesses can take questions on notice and we will adopt the normal period, which is 21 days, for answering those. Witnesses are advised that any messages should be delivered to Committee members through the Committee staff. Most important of all please turn your mobile phones off or on to silent for the duration of the hearing.

**JASON BROUFF**, Manager, Aboriginal Land Claims, Aboriginal Lands Unit, Crown Lands, Department of Primary Industry—Lands,

**JASON ARDLER**, Head, Aboriginal Affairs, and

**AMITY DURHAM**, Executive Director, Social Policy, Department of Premier and Cabinet, affirmed and examined:

**CHAIR:** Would any of you like to make a short opening statement?

**Ms DURHAM:** Yes. First, I would like to begin by acknowledging the traditional owners of the land we are meeting on today, the Gadigal people of the Eora nation, and I would like to acknowledge all elders past and present. I would like to thank the Committee for the opportunity to give an overview of our New South Wales Government submission. New South Wales has the largest population of Aboriginal people in Australia but it also differs to most of the States across Australia because our population does not live in remote communities, the majority live in urban areas. Regardless, the economic variables for Aboriginal people show that Aboriginal people are under-represented across a number of measures and perform more poorly than the rest of the population against a number of social indicators.

Part of the New South Wales Government approach is to ensure that the opportunities that are available to everyone in the community are also available to Aboriginal people. We have set a strong reform agenda across Government and the Premier has set a number of priorities where we would like to see changes and improvements across the economic and social indicators. Part of that is setting targeted areas of focus around Aboriginal people. Those go to creating jobs, delivering key infrastructure, including housing, improving services, encouraging the creation of growth of businesses and business investment and improving education results. We have also set some targets around improving public sector diversity.

Some of the Premier's key priority indicators around Aboriginal communities include the education indicator around increasing the proportion of Aboriginal and Torres Strait Islander students in the top NAPLAN bands for reading and numeracy by 30 per cent. Another priority is to double the number of Aboriginal and Torres Strait Islander people in senior leadership roles in the New South Wales public sector in the next 10 years. We are seeking to increase the prosperity of all but have a particular focus on Aboriginal people across our whole-of-government State priorities.

The role of the Department of Premier and Cabinet [DPC] in all of this is to provide whole-of-government policy advice and coordination across our agencies. The oversight of the State's plan for Aboriginal policy, OCHRE [opportunity, choice, healing, responsibility, empowerment], is the primary responsibility of Aboriginal Affairs and Jason Ardler will talk to that today. Premier and Cabinet works closely with Aboriginal Affairs to ensure that across Government we have a high degree of effort in implementing those strategies in OCHRE. The Department of Premier and Cabinet also leads, in terms of the State position, in intergovernmental negotiations with the Commonwealth and with other jurisdictions around Aboriginal affairs policy and priorities.

We also have a regional coordination branch where we have regional coordinators across the State who work locally with State agencies and communities around achieving some of these priorities particularly for Aboriginal communities. Some of our Aboriginal coordinators are involved in negotiating with Aboriginal communities. From the Government's perspective around the accords, which are the partnership approach we take with Aboriginal communities, to improve Government services locally. Generally DPC has an overview and whole-of-government role and a particular role with policy and on the ground as well. Would you like me to provide a general overview of our submission or are you happy to move on to questions?

**CHAIR:** Thank you for coming along. It was a little disappointing that the submission did not get into the Committee until late yesterday afternoon so members have not had a chance to read it. It is a pity because it is fair to say that over the last three or so decades the issues we are trying to address here have been addressed by governments of all persuasions and one of the things that has become apparent is that whilst there are great aspirations in a lot of government work, the submissions to us indicate a high level of concern that the achievements are not matching the aspirations in many areas. That is the issue we are trying to address in this inquiry. The submission is helpful and there are some useful things in the submission. You touched on this but I

will just ask you to outline to us in a practical and real sense what are the mechanisms for coordination and cooperation between government agencies? That has come up again and again as a criticism.

**Ms DURHAM:** We have through our regional coordination area established regional leadership groups across each of our regions. That involves the local leadership for each of our agencies. They get together regularly to talk about economic as well as social priorities for those regions. We can talk a bit more about the Local Decision Making process where we work with communities to agree on how to improve local services. Through that process we appoint a lead negotiator from the government perspective, but that person also is responsible for negotiating with each of the government departments to coordinate and make sure that we are as responsive as possible to the local communities in those discussions.

**Mr ARDLER:** I would add in terms of the specific example of economic development Aboriginal Affairs now has a kind of lead agency role in terms of the coordination of policy response in this area. That is quite a new role and does come out directly from some of the work that we did when the ministerial task force was established that led to OCHRE. We obviously looked at a whole range of issues, one of which was economic development. The review that we did at the time indicated that a big part of the problem was the lack of coordination in this space. We found that we had a number of agencies operating a range of programs that were trying to address in one way or another economic and employment outcomes for Aboriginal people but what was missing was that overarching coordinated approach. That led directly then to Aboriginal Affairs being assigned that responsibility. We are trying to make improvements in that space.

**CHAIR:** That is very good. Would you mind taking it on notice to give the Committee some more detail on that coordination function and perhaps a couple of case studies? If you look at the places we are visiting perhaps you could identify the team leader in one or two of those places who we can have a quick talk to when we get there to see how those sorts of things work.

**Ms DURHAM:** Sure.

**CHAIR:** On the same theme, a recurring issue in a lot of submissions is the lack of mechanisms for Aboriginal communities to be involved directly in designing, implementing and monitoring programs. Could you give us your view on what those mechanisms are and what is being done in that space?

**Mr ARDLER:** I guess the primary one is the Local Decision Making that Ms Durham has referred to. It again came out of extensive consultation with the Aboriginal community where people expressed exactly those frustrations; again, a lack of coordination and a lack of Aboriginal people's input into those matters that are a priority to them—not only what the priorities are but the way in which services are delivered and the accountability back to the community for the services that are being delivered. So Local Decision Making was born out of exactly those concerns. What we have established now are mechanisms for the Government to engage at a formal level with Aboriginal community governance bodies.

Everything about this is ground up. We ran an expression of interest process to see where we would trial these arrangements. Rather than going out and identifying the places ourselves, we encouraged Aboriginal communities to self-identify the areas and their boundaries that they would cover and certainly the way they represent themselves in these forums. Both sides of the negotiation table, both the community side and the government side, have to demonstrate that they are ready to come to the table to have an open, honest negotiation with the right people represented at the table to be able to speak for community and speak for government.

We have a role in Aboriginal Affairs in supporting community capacity to be able to come to the table on an equal footing with government and we appoint an independent facilitator to oversee those negotiations. It starts with a log of claims, if you like, from the community. They identify their priorities—things that are not working for them, things that they see as gaps, things that they see could be areas of improvement—and then both parties sit down and essentially negotiate what we call an accord. The accord then contains commitments from both sides about how we are going to work together to achieve those agreed priorities within that community or that region.

We have got six Local Decision Making launch sites, I would call them. I am trying to avoid the term "pilot" because of what it implies. We have got one accord finalised and we are about to embark on the negotiation of a second. The communities at the other launch sites are comprehensively working through their local governance arrangements and consulting their own constituents about what the priorities are across those

communities. The feedback that we have had from the communities has been very positive around this. If I could quote the chair of the Murdi Paaki Regional Assembly, this is the first time government has opened the books to the community, been very up-front about what we spend in their region and been very open to negotiating the way we invest in those communities based on the mutually agreed and negotiated priorities.

**CHAIR:** Is Murdi Paaki the first accord you have reached?

**Mr ARDLER:** That is right.

**CHAIR:** Without trying to burden you with extra work, would you take it on notice to give us an outline of how that process has worked?

**Mr ARDLER:** Absolutely.

**CHAIR:** Are there any areas where the process has broken down?

**Mr ARDLER:** We have undertaken an evaluation of the Murdi Paaki Accord negotiation process. That is publicly available and so we can certainly give you that. I guess it is not so much broken down, but it does highlight some areas for improvement for us. The evaluation was very clear around the issue that we could probably do more to support the capacity of the community negotiators.

**CHAIR:** That was going to be my next question.

**Mr ARDLER:** Absolutely. They are things that I guess to some extent we take for granted. They have data, but these are volunteers usually and they are doing their day job as well. So even to the extent of the analysis of that data, independent policy advice for them and those kinds of fairly fundamental things are areas that the evaluation certainly indicated we could improve on. Making sure we have got people at the right level representing government who can make decisions on behalf of their agencies so that there are no false expectations established through the process. But, again, in providing more information we can certainly provide a copy of the evaluation.

**The Hon. MICK VEITCH:** Who conducted the evaluation?

**Mr ARDLER:** It was conducted independently. We contracted an organisation called CIRCA, who are a consultancy group.

**The Hon. MICK VEITCH:** Can you explain how the procurement processes of government work, which is sort of a part of OCHRE? There are a couple of sections in the Government's submission about this but how is that working in reality on the ground?

**Mr ARDLER:** Do you mean the procurement of goods and services?

**The Hon. MICK VEITCH:** Yes, government buying from Aboriginal businesses and Indigenous organisations.

**Mr ARDLER:** There are a number of policy levers around that in place and some of those are quite new. We do have now a procurement direction that allows for preferential procurement from Aboriginal businesses up to \$150,000 based on a single quote. We have got the strengthened Aboriginal Participation in Construction Guidelines that now require a proportion of spend for government-funded infrastructure works to be spent on Aboriginal economic participation, so there is Aboriginal participation in those. They are probably the main levers. We have seen figures reported by the Office of Finance and Services that would indicate that there are tens of millions of dollars now being spent by the State Government on procuring goods and services from Aboriginal businesses, which is encouraging. But in terms of further detail I would have to take that on notice.

**CHAIR:** Do you want to make a statement?

**Mr BROUFF:** No, I am okay. Thank you.

**The Hon. MICK VEITCH:** I turn to talk now about the recent amendments to the Aboriginal Land Rights Act. How many of those have actually been struck?

**Mr BROUFF:** The process that I manage at the moment revolves around the section 36 criteria under the legislation. I have not had any involvement in the actual Aboriginal land agreement process. Jason may be able to answer a little bit in respect of that one, sorry.

**Mr ARDLER:** We have not jumped boots and all, if you like, into negotiating land agreements; what we are doing, though, is negotiating with the NSW Aboriginal Land Council the process for doing this. We are very conscious that land councils receiving land is one part of the equation but actually having the wherewithal to then realise the economic, cultural, social potential for that is another thing altogether. We are working through a process with the land council and relevant agencies that would ensure we maximise the flexibility, I guess, of the opportunity that those provisions provide in terms of not just transferring land but also being able to address the broader economic and social aspirations that a land council may have.

**The Hon. MICK VEITCH:** Have any agreements been struck?

**Mr ARDLER:** No, not since the commencement in July.

**The Hon. MICK VEITCH:** Do you now report against OCHRE in the Aboriginal Affairs annual report?

**Mr ARDLER:** We do an annual OCHRE achievements report, yes.

**The Hon. MICK VEITCH:** Sometimes these annual reports become a tick the box exercise. There are lots of words and numbers but when you dig down into them there is nothing really there. Can you confirm that your OCHRE reports are not going to do that? Can you confirm that they are going to be quite meaningful and a lot more than just ticking boxes?

**Mr ARDLER:** It is certainly my intention that they are very meaningful. The important thing for me—I talk to Aboriginal people about OCHRE quite a lot, and people come to talk to me about—is that I am quite proud of the fact that OCHRE has strong resonance with Aboriginal people and I think that is because we are focused on things that are important to Aboriginal people—language and culture is important to Aboriginal people. This week I have met with members of the stolen generations and the fact that healing is in OCHRE is a massive thing for them. We have been very careful to focus on the things that are important to Aboriginal people and we have been very careful to stand by and practise our rhetoric about the way that we continue to engage with Aboriginal people—from the way we design these programs, to the way we deliver them, to the way we evaluate them and being very clear that what we are evaluating are those things that the community says indicates success to them, not just widgets or box ticking that might be important to government.

**The Hon. MICK VEITCH:** Looking at examples of how a whole-of-government approach takes place, if I were to use the exercise of a couple of years ago when the Government developed regional action plans, what was Aboriginal Affairs' involvement in that exercise? Indigenous Australians have a very fair and equitable share of those regions and were participants in the process; I would like to know how you worked that.

**Mr ARDLER:** I would have to take part of that question on notice because I came into Aboriginal Affairs probably at the tail end of those processes. What I can say is that at the time there were both whole-of-government regional action plans and there were also Aboriginal regional action plans under the Two Ways Together—our previous government policy. A lot of the feedback was that in many ways they were duplicating, we were getting the same things in both plans, and the intention was to streamline those. I guess today it would be largely through the Local Decision Making processes and making sure that the priorities of the community are articulated front and centre on the agenda of the Government's regional leadership groups at that level.

**The Hon. RICK COLLESS:** I go back to the issue of native title. One of the submissions received by the Committee was critical of the title granted when there is a conversion—they call it a limited title. Can you expand on that and tell us what the constraints on that title are to the people?

**Mr BROUFF:** Limited title essentially means that the boundaries of the land have not been investigated via a proper survey. It is estate in fee simple so it is freehold title. That is the major difference. You can still sell the land, it can be developed and on sold but it would usually mean that there may have to be some

additional survey work. It would depend on what purpose the land was going to be used for at the end of the day. But that is the main difference, as opposed to no limitation on title.

**The Hon. RICK COLLESS:** So when these grants are made they are granted a freehold title to that land?

**Mr BROUFF:** Generally the way the legislation works is that when an Aboriginal land claim is granted an estate in fee simple is granted, it will either be granted potentially as a limited title but in some circumstances when a claim is granted it may only be part granted. So if the land has to be subdivided we will survey the land, and if that happens there will be no limitation on title. In some circumstances there may need to be easements created and things like that. In some circumstances that would mean the limitation would be removed as well too. Just to clarify, that is a little bit different. You mentioned native title in your question, which is slightly separate.

**The Hon. RICK COLLESS:** When a claim is made under the Aboriginal Land Rights Act and the Native Title Act, the Commonwealth Act, is there any difference in the end result as far as the Aboriginal people are concerned?

**Mr BROUFF:** Potentially there are a few variants that can happen at the end of the day. In terms of the investigation of an Aboriginal land claim, registration for determination of native title and the existence of native title has an impact on an Aboriginal land claim. So where native title is found to exist prior to the lodgement of the claim or where an application is registered that Aboriginal land claim will generally not be successful because the Commonwealth legislation takes precedence. For land claims that are granted now where there are no registered applications for native title or determination of native title, a limitation goes on the title that goes to a land council that basically says that native title may still exist in this land.

**The Hon. RICK COLLESS:** So if native title does exist, they get a different title to it. It is not a freehold title?

**Mr BROUFF:** If a claim is lodged—I apologise because it does get a bit convoluted—and there is no application for native title anywhere, they will still get a freehold title but it will have a notation on the title that indicates that native title may still exist in this land. If an application for an Aboriginal land claim is lodged where native title has been found to exist or there is an application awaiting determination by the Federal Court, that Aboriginal land claim will generally not be successful and will not be granted.

**The Hon. RICK COLLESS:** I am still a little bit confused about what happens at the end of the day. If a native title is granted, are they then given a freehold title to that land?

**Mr BROUFF:** No. Native title as a rule—and I have to confess that I am not a native title expert—usually has a different range of outcomes from it. I could provide a comparison to the Committee later that gives a direct comparison between the two pieces of legislation.

**The Hon. RICK COLLESS:** I think that would help us.

**Mr BROUFF:** It clearly identifies the differences in terms of outcome. The Aboriginal Land Rights Act really is about providing compensation back to Aboriginal people through the vehicle of ownership of land; native title is about cultural connection—access, hunting, fishing and those types of things. There is a difference there.

**Ms DURHAM:** If I could add to that?

**The Hon. RICK COLLESS:** Yes.

**Ms DURHAM:** If land is granted and they are given freehold title, and it is subject to native title, and later there is a determination that native title exists, the land council will need to negotiate with the native title owners—say, if they want to deal in that land—about what that means, or they may need to negotiate an Indigenous land use agreement with the native title owners about how they can still continue to use the land consistent with their native title rights for that piece of land. So it puts the Aboriginal land council in the same position as any other landholder in this State, in that they then have to deal with the land in a way that is consistent with the native title rights or it compensates the native title owners.

**The Hon. RICK COLLESS:** I find it confusing, so no doubt some of these land council people find it confusing as well. Do you think there is a need to resolve some of those issues so they are more consistent across the different spheres of government?

**Ms DURHAM:** Yes, that is something that is going on at the moment. We are leading an interagency group to look at the State's native title approach in our policy and looking to clarify and streamline all of these processes about how we deal with native title in the State. So we are aware that it is quite complicated, and it is something that we are looking at this year.

**The Hon. RICK COLLESS:** One of the submissions—I think it was the submission from the land council themselves—talks about the problems with the restrictive environmental zonings that are placed on Aboriginal land and they use the term "down-zoning"; in other words, they zone it so that it can only be used for environmental purposes, parks and things like that. Do you think that the Aboriginal land councils should be responsible for setting their own zonings on their own land?

**Mr ARDLER:** I have not formed a view about that but I do agree with the concern that is raised by the land council around the barriers that are created through the planning process, the planning systems. That has come up frequently, I would suggest, and I think it is a legacy that these lands were previously vacant Crown land, so when they then convert to freehold the zonings tend to reflect the former status as vacant Crown land than necessarily the economic potential, the economic aspirations of the land council. We have recognised that that is an issue. It goes back to the question of government coordination and the role of Aboriginal Affairs in this.

I have a new function that is known as solution brokerage, which allows me to identify significant issues that impact on a range of different agencies, where we need to come together and find a cut-through on some of those matters. This issue of planning and how Aboriginal land and the planning system come together is one that I have declared as an issue and we are working very closely with the Department of Planning, the Office of Local Government, the NSW Aboriginal Land Council and a range of other relevant stakeholders in trying to address this matter. It is a twofold thing; we are looking at planning on discrete Aboriginal communities—the former reserves and missions. We have got 61 of those in New South Wales; they are usually single-lot tenure but with multiple dwellings on them. So across 61 of these single lots there are 2,500 houses, there are community halls, there are roads, there are water and sewerage systems usually—

**The Hon. RICK COLLESS:** So it is more of a community land type title rather than individual freehold blocks?

**Mr ARDLER:** That is right. Some land councils have aspiration to subdivide to promote home ownership and there are planning barriers, either through LEPs or development control plans and the like, that sometimes get in the way of that, and some of the zonings are inappropriate for that. It is a legacy issue where they have come from. What it also means is that often the municipal infrastructure is not at the standard that you would see in the nearest mainstream community and, of course, local councils are reluctant to pick up those legacy issues as well. So part of the process we are working through under this solution brokerage mechanism is looking at those situations and how we can normalise, if you like, the planning processes and the planning outcomes there to encourage community development, to encourage economic development and to resolve the management and maintenance of the community infrastructure and the environmental health infrastructure.

The other aspect of it is looking at those lands that have been granted through the land claims process, where the zoning may be wrong or there may be some other barriers within the system that we need to think about—are there different ways of trying to address them so that we better reflect the economic aspirations of the landowners?

**CHAIR:** Is there a baseline report or an evaluation or something that you have done as the starting point for that work that you are doing? Is there an update report or something like that?

**Mr ARDLER:** A number of years ago there was a report undertaken on the status of environmental health infrastructure in the discrete communities, those 61 communities: what is the status of the water and sewerage, the roads, community halls, those sorts of things. We have certainly got an audit, effectively, about roads.



**CHAIR:** Could you let us have that?

**Mr ARDLER:** Yes.

**The Hon. PAUL GREEN:** I see the problems and there are thousands and thousands of parcels of land that are tied up for numerous reasons, and Aboriginal land claims is one of those reasons. I hear what you are saying about the LEPs and, of course, the legacy issues of the land—that they are tied up under the previous zonings. I am trying to think a bit creatively. Is there such a thing as an Aboriginal land SEPP?

**Mr ARDLER:** No, there is not.

**The Hon. PAUL GREEN:** There could be a critical pathway out of LEPs, so that instead of having to go under all the LEP issues it could, by way of identification that it is land that council claim, be pulled out of that stream and put into, say, an Aboriginal land SEPP, which basically gives you full opportunity, especially where there is an economic opportunity for the people to grow education and economic outcomes. Is there something like that?

**Mr ARDLER:** There is not one at the moment. It is certainly something that has been raised and it is certainly an option that will be in the mix of possible solutions.

**The Hon. PAUL GREEN:** Because there is a lot of low-hanging fruit here that, like you said, has been absolutely tied up with red tape; it is in the system with 27,000-plus claims over Crown lands and different things. Surely there has got to be some low-hanging fruit that could be pulled out of that and put into a critical pathway where there is an obvious benefit to the local community and the Aboriginal community for all those reasons.

**Mr ARDLER:** They are exactly the sorts of things that we are looking at.

**The Hon. PAUL GREEN:** So there is no Aboriginal land SEPP?

**Mr ARDLER:** No, not currently.

**The Hon. PAUL GREEN:** Is it something that we could investigate further?

**Mr ARDLER:** We are certainly looking at it in the context of the discrete communities where it probably could lend itself—

**The Hon. PAUL GREEN:** I may have missed it; could you just clarify what a discrete community is?

**Mr ARDLER:** A discrete community is usually a former reserve or mission. At the commencement of the Land Rights Act in 1983, the first land that was transferred to land councils were the former reserves and missions. So there are multiple homes on a single lot, and the land council, as the owner, because it is single lot is responsible for the upkeep of all the environmental health infrastructure within them.

**The Hon. PAUL GREEN:** My point is that this is not unusual, that you would be well-versed that there are State significant projects that basically get pulled out of the situation and put into a critical pathway because there are definite benefits to the State. So I cannot see why we would not have an Aboriginal land SEPP that could allow us to isolate those projects that are going to bring a huge benefit either to the local communities—

**CHAIR:** Perhaps Mr Ardler could take it on notice for a bit broader discussion and response to that.

**Mr ARDLER:** I can assure the Committee that it is in the mix of things we are looking at, along with ministerial directions—there are people who are planners who do this for a living who are bringing forward options and thinking a bit more laterally perhaps about how these things could apply.

**The Hon. PAUL GREEN:** You talked earlier about your engagement with this new solution-driven idea. What are the KPI benchmarks there and how are you evaluating that? Are you any further advancing this cause as opposed to the usual causes that are usually low-hanging fruit that is still tied up by red tape?

**Mr ARDLER:** I guess we will evaluate the solution brokerage process. I have declared three of these now at different scales. I have declared one at a more local level in the Eden land council area, which, again, is about land and economic development. I am encouraged by it because it is bringing together people in a way that we have not come together in the past. So it is creating a catalyst for people to come together and there is good will at the table, which is the encouraging thing. There is a real determination, I think, at the table to actually find solutions to these problems in a way that I have not quite seen before.

So I am optimistic. But my role—I declare these matters, I do not lead the delivery of them. So I guess I am the first point of oversight for those. Because it is a function that sits under OCHRE, essentially, it is also within the remit of the Deputy Ombudsman for Aboriginal Programs and we will be reporting regularly on progress through Ministers and Social Policy Cabinet Committee and the like. So there will be solid accountability around this stuff, absolutely.

**The Hon. RICK COLLESS:** You might be aware that this Committee is concurrently running an inquiry into regional planning processes as well. This planning issue is of particular interest to this Committee at this point in time. In terms of the regional planning inquiry as well, do you think we need to have a look at a different approach for Aboriginal land from a planning perspective or can it be incorporated into the overall New South Wales planning process?

**Mr ARDLER:** I guess that is what we are investigating now. There may be some special measures. It may just be that the way we implement the existing mechanisms may be enough if we think a little bit differently about them.

**CHAIR:** What is your time frame for completing that work?

**Mr ARDLER:** I am going straight from here to the next meeting of that working group. They will have started now, so I will be going in to check into them. Broadly the time frame for all of these solution brokerage matters was significant progress within six months.

**CHAIR:** That is all right. We will see you in six months.

**Mr ARDLER:** My invitation might be that we come back with an update certainly before this Committee's term finishes—perhaps for us and the Department of Planning and Environment to come back and talk to you.

**The Hon. SHAYNE MALLARD:** Regarding the conflict between native title claims and State land claims, we have been told in a submission that there are 27,000 or so land claims currently outstanding in the system. There is a claim that it would take 130 years to process them at the rate we are doing that. Can you comment on why it is taking so long to process them? On the other side of that equation of course are those that have the claim against them, like local government, and it ties up their situation. Secondly, I want to look at the overlap between native title claims and land claims. Tim Wilson, the former Human Rights Commissioner, set the hares running when he suggested that native title should be allowed to have freehold and release the value of their land. Is there a conflict between our claims—because, as you said, native title overrides our claims? Does that mean it locks up economic potential in New South Wales Aboriginal communities if there is a Federal claim on it?

**Mr BROUFF:** I could probably talk to the actual Aboriginal land claims process a little bit, but in respect of the native title aspects it is probably not really in my remit—sorry.

**The Hon. SHAYNE MALLARD:** It might be something that we look at in future.

**Mr BROUFF:** Aboriginal land claims at the moment are investigated under the statutory criteria outlined under section 36 of the Aboriginal Land Rights Act. It is pretty restrictive. It does not give the Minister a lot of discretion in terms of how he applies it, essentially. The criteria require a lot of complex investigation, unfortunately. When land claims are lodged they can be lodged over a single parcel of land or they can be lodged over multiple parcels of land. You could have four or five different parcels of land with a single land claim over them and they could be subject to different tenures over them, different reservation purposes, different activities happening over them.

**The Hon. MICK VEITCH:** They have all got to be Crown land though—is that correct?

**Mr BROUFF:** When a land claim is lodged it is basically accepted on face value providing it is not over freehold land—that has been a recent amendment to put that clause in. But generally, yes, they are all over Crown land or land vested with Her Majesty. But you then will have things like someone might have a lease or a licence over that land, occupying it. Our unit goes through the process of investigating a land claim against those criteria. Some of that investigation is at a desktop level, so it is relatively straightforward, but another aspect of it talks about whether the land is lawfully used and occupied or whether it is needed for an essential public purpose. That requires us to go out to relevant agencies to get information from them as to whether they are using the land or whether they need it for an essential public purpose. That can take some time getting responses back. It is necessary because once the land is vested with an Aboriginal land council it cannot be compulsorily acquired. So we need to make sure we get that process correct.

Sometimes a land claim can be dealt with in a relatively short period of time but sometimes it can take some months while we wait to get information back from local government, Roads and Maritime Services and other agencies. Sometimes initially the information they provide to us does not answer the question and we have to go back a second time to get clarification and make sure it is right. All of those things combine to make some investigations quite complex and time consuming, unfortunately. We are doing work to try to assist. We do a lot of engagement now with local government and other agencies to help improve their knowledge of the Aboriginal Land Rights Act so that we can speed the process up a little bit. We do a lot of engagement work with the NSW Aboriginal Land Council—we work quite closely with their land rights unit. We also deal with other local Aboriginal land councils to try to help them identify land that maybe is important to them in terms of past difference to other lands. But on the whole it can be a very complex process. That goes to why it does take so long sometimes.

**The Hon. SHAYNE MALLARD:** Can it be an ambit claim? In that figure of 28,000, would some of that be generally prospecting for land opportunities?

**Mr BROUFF:** I cannot comment on that. One of the critical things for the Aboriginal Land Rights Act is the claim must be assessed at the date at which it is made. We have situations where there are two or three land claims over a single parcel of land, quite validly because circumstances around land will change in terms of its use and occupation.

**CHAIR:** We are just about out of time so we will put some other questions on notice. On that very point, given your vast experience, on notice could you give us your views on how the process could be expedited and practical ways that that might occur? Also, how might it be possible to give priority to the properties that some of the land councils actually want dealt with earlier than in the strict historical order? That has come up quite a few times now. It seems to me a very simple thing to prioritise the ones that are economically, culturally or otherwise valuable. Could you please take that on notice?

**Mr BROUFF:** Yes. We have had that discussion with NSW Aboriginal Land Council.

**CHAIR:** Good. Mr Ardler, we see some very good figures in terms of outcomes: 50 per cent of Aboriginal people aged 20 to 24 have reached year 12. You are based in education, aren't you?

**Mr ARDLER:** Yes, we are.

**CHAIR:** I am very interested to see the figures that show us the numbers or the percentage of children who actually make it to year 12, perhaps taken from census—the percentage who start in kindergarten and make it to year 12—so that we can get some real indication of what the outcomes are. Mr Veitch has a couple of questions just before we finish.

**The Hon. MICK VEITCH:** This is a question that can be taken on notice. I am really keen to explore the industry based agreements [IBAs] a bit further so I will put some questions on notice. The construction and the civil construction IBAs talk about a survey. Is it possible to get a copy of the survey that was sent out for both of those IBAs?

**Mr ARDLER:** It should be. I am sure it went up on the websites of both organisations.

**The Hon. MICK VEITCH:** Thanks.

**CHAIR:** Ms Durham, we see that a number of agencies are involved in the Aboriginal community space. Again on notice, could you give us a bit of a summary of the different responsibilities of the various agencies and how they are coordinated?

**Ms DURHAM:** Yes.

**The Hon. RICK COLLESS:** To follow up on the question the Chair asked on education up to year 12, perhaps you could also include in the answer to that the statistics following the rollout of the Clontarf program in New South Wales. That is something most of the members are aware of and it appears to be working quite well.

**CHAIR:** Other than that I am sure we will have some other homework for you. Thank you so much for being so cooperative and helpful. As I indicated at the beginning, we ask that you provide answers to those questions you have taken on notice within 21 days, but we are very polite and cooperative so if you require more time, that is fine, but try to do it before the conclusion of the inquiry.

**Ms DURHAM:** Of course.

**CHAIR:** Thank you.

**(The witnesses withdrew)**

**RAGHU VENKAT**, Senior Manager, Policy, Indigenous Business Australia,

**LOUISA MAMOONEY**, Acting Executive Director, Industry Policy, NSW Department of Industry,

**GARY BARNES**, Deputy Secretary, NSW Department of Industry,

**HEATHER MCGREGOR**, Director, Aboriginal Learning Circle, North Coast Institute, TAFE NSW, and

**MERV DONOVAN**, Team Leader, Aboriginal Education Unit, TAFE Strategy and Finance, TAFE NSW, affirmed and examined:

**CHAIR:** Would any of you like to make a short opening statement?

**Mr BARNES:** Thank you very much. I am happy to do that and my colleagues from within the industry cluster no doubt will also make a very short statement. The division that I look after from within the cluster primarily has two branches that focus in this area quite heavily. One is Training Services New South Wales, formerly known as State Training Services. They are involved in a number of initiatives. They have a dedicated unit that specifically looks at administering a range of programs that allow Aboriginal people to both access training opportunities but more importantly access pathways to employment. Throughout the course of the next 45 minutes I will be very happy to share some of the very encouraging results that are coming out of some of those programs and reflect that while they are encouraging, there is a long way to go and we need to continue to keep our shoulders to the wheel in becoming better at delivering outcomes for people who fit within that cohort.

I also have a regional development office with a presence in all of our regional areas that again, increasingly, is looking to make easy the opportunities for Indigenous people to start their own businesses and to participate in regional economies. That again is incredibly important. We have tried very much to make that everyone's business, not just directing people to other Aboriginal people in getting that work done. Again, thank you; we are very happy to be here. We participate heavily in the whole-of-government initiatives that you have just heard through the ARCO initiative run out of Aboriginal Affairs and we will be very happy to communicate openly and honestly around where things are at. Thank you.

**Ms MCGREGOR:** Firstly, I would like to acknowledge the traditional custodians of the land we are meeting on today, the Gadigal people of the Eora nation and extend that respect to all Aboriginal people. I also thank the Committee for the opportunity to contribute to this inquiry and extend that respect to all the members of the Committee. I have a brief opening statement then we are happy to answer questions. I start by stating that TAFE NSW has proudly supported students, industries, communities and the economy of New South Wales for over a century. This includes a long tradition of support to Aboriginal students and communities.

TAFE NSW enrolls students in over 1,000 nationally recognised vocational education and training qualifications from the Australian qualification framework. This includes certificate I and statement of attainment through to advanced diploma and nationally recognised higher education qualifications such as bachelor degrees, graduate diplomas and graduate certificates. We also offer a large number of part qualifications and skill sets. The diversity of offerings enables us to provide a wide range of opportunities to Aboriginal people through customisation or by supporting individual students to participate in general offerings.

In TAFE NSW Aboriginal student enrolments increased from 34,597 in 2010 to 37,505 in 2014. That was an increase of 8.4 per cent. The efforts of TAFE NSW Aboriginal education and training units within each institute that were established in 1979, along with the strategic recruitment of more Aboriginal staff, continues to be a crucial and contributing factor in improving vocational education and training outcomes for Aboriginal people in New South Wales. That is all for the opening and we are happy to take questions.

**Mr VENKAT:** Firstly, I acknowledge the traditional owners of the land on which we meet today and pay my respects to them. I would also like to acknowledge that we are meeting on the boundaries of the Metropolitan Aboriginal Land Council and personally thank you for inviting me to my very first upper House Committee.

**CHAIR:** This is a very calm and polite one so it is a very nice introduction.

**The Hon. MICK VEITCH:** And if you are nervous you should see how we feel on this side of the table.

**Mr VENKAT:** I am very nervous. I represent Indigenous Business Australia [IBA] but the vast majority of my career has been in the private sector with Westpac, GE and Accenture. For the past four years I have been with IBA as a senior manager and particularly for the past 18 months I have had the privilege of working with the New South Wales Aboriginal Land Council in helping them get their economic development policy forged and implemented. Today, though, I would like to state that I represent IBA, so I will pass on any of the questions for the New South Wales Aboriginal Land Council.

IBA is a Federal Government agency focused solely on Indigenous economic development. It has three key areas—home ownership, business ownership and investments, along with a bunch of other broader sectoral roles. Whilst economic development is a broad area, the area I feel most comfortable in is in addressing and leveraging Indigenous-owned land and other community assets to create and grow sustainable enterprises that provide income employment. That is the area I feel most comfortable in addressing today. I would just like to say that everyone knows that the opportunity is in significant land ownership.

There is significant goodwill but there are two key challenges that I would like to raise on behalf of IBA today. One is the challenge in terms of what is on paper with the land versus what is actually commercially realisable value. That is for a host of reasons that you have already discussed, such as planning regimes and the like. That is a very critical challenge. The second one is around capacity development, which is part of the Committee's terms of reference. That is really related to exposure to economic development initiatives at the community level. Moving forward, though, we believe that those two key areas need to be addressed. Capacity development primarily is first and that is really around increased support for commercial capability for Indigenous landowners and communities and also funding for potential development costs, land use planning and data administration; so that is around capacity development.

The second key area we would like to put forward today for your consideration is around investigating measures that reduce the risks to private investors and financiers in getting involved in these economic development projects. That is a very different perspective in terms of what it takes for the private sector to get involved in these economic development initiatives. In conclusion, I would like to say on behalf of IBA that there is no simple solution, but we would love one, particularly in those areas which are more regional and remote from mainstream markets where there is significant capability infrastructure and human resource constraints in remote and regional areas. Thank you.

**The Hon. SOPHIE COTSIS:** Will you elucidate on capacity development?

**Mr VENKAT:** Yes. Capacity development, at its core, in this spare sector is about how we can increase the commercial capability of the community and the landowners. It is at the local land council level, at the broader community level, at the individual level. The historical exposure shows business and home ownership has been low. If you look at the statistics of Aboriginal home ownership and business ownership, the exposure has not been there. If you are sitting on the board of a land council and you are trying to figure out what to do with the land, it is about what commercial capacity and capability you have that will help you make those informed decisions. That is what I mean, where do we want to go and what is the gap? There is a whole host of answers for how to bridge that gap.

**The Hon. SOPHIE COTSIS:** What are your answers?

**Mr VENKAT:** The support can look like a multitude of things, from mentors to solution brokering, a bunch of things like that. There is one stream around increased support. That has been documented and there have been a lot of trials. The other one is quite specific to the land section, which is funding for development costs, so it is for the initial development costs, the land use planning and administration. That is a specific one to New South Wales.

**The Hon. PAUL GREEN:** Are you saying that the Government would go through the red tape, the green tape, produce it and get it to a place that it can be cultivated? The risks are reduced so someone wants to buy in now because the risks have been dealt with, to a large degree, and they are willing to take a reasonable risk?

**Mr VENKAT:** That is a separate one. Before you get to that picture you have to invest in—for example, there is a piece of land, it is freehold and it has a certain zoning. What steps do you then take to understand what is the commercial value of the land? There is also the process of realising the commercial value. Who do you partner with? Where do you get the money to put up the development planning, the development application?

**The Hon. PAUL GREEN:** That is right. One of the things reducing opportunity in New South Wales is the fact that commercial risk is so high. I noticed earlier you were in the gallery and nodding when I talked about an Aboriginal Land State Environmental Planning Policy [SEPP], which can basically lead out of the Local Environmental Plan [LEP] if it was cleared in the right terms under those considerations that you are talking about, zones and all the things that come with the LEP. It is given a critical pathway into an Aboriginal Land SEPP, so to speak. Then an investor can have confidence, now it is coming out of that document, that there is a way forward. But people will not take the risk if it is open slather because you only need a community with a "not in my backyard" approach. It does not matter how viable it is, but jumping through hoops to get to the Land and Environment Court or going to meetings to have consultants prove your point is going too far. Are you saying reduce that risk?

**Mr VENKAT:** The first part is commercial capability and, yes, included in that is the work involved in planning and other things. The second part is the engagement and also reducing the risk for the private sector investors and the other parties to participate in the projects. Yes, it has a clear focus on reducing the risk.

**The Hon. PAUL GREEN:** We talk about low-hanging fruit. I see once again you are nodding that, yes, there is an opportunity. If we can get that dealt with, that alone will make a huge impact on the opportunities for the Aboriginal people let alone the furthering of those communities around them. What do you see as the low-hanging fruit and why did you particularly nod—

**Mr VENKAT:** I should stop nodding.

**The Hon. PAUL GREEN:** —acknowledging that there is an opportunity here? Will you explain to us what the hurdles are to grabbing the low-hanging fruit?

**Mr VENKAT:** It is the concept of low-hanging fruit as you and I might see it and what the community sees as low-hanging fruit and the process to realise our definition of "low-hanging fruit". There is a time line that is associated with converting even low-hanging fruit. Let us say there is a land claim already given to the land council, so you do not have to go through the land claims process, it is land they own, and it has the right zoning. Say it has Res A zoning in a viable area. Is that low-hanging fruit, according to your definition? If so, what is the time line in the process that it takes to realise that low-hanging fruit and what are the potential barriers? Definitely some of the development capacity efforts—even if you put planning aside, there is still the idea of letting the community make the informed decisions about the next steps and letting them own the journey on that conversion process. That is the first one we were talking about in respect of capacity development. The second one is about then bringing the private sector partners and investors along to take the next step to fruition. Even if you have the low-hanging fruit, as we may define it, or as it can be defined, there is still a big challenge in converting the low-hanging fruit to economic reality.

**The Hon. PAUL GREEN:** Again that is impacted by the recent 2009 LEP process. There are all these land claims, communities have identified opportunities, suddenly there is a push for a new LEP, new zonings, overlays and then habitat corridors, and a whole new level then sterilises that opportunity. Would that be fair to say?

**Mr VENKAT:** I cannot comment on the LEPs because I am not an expert but suffice to say that planning regimes, native title, land tenure, all of those can impact on realising the commercial capability of a piece of land.

**The Hon. PAUL GREEN:** That is right. Every year that governments fail to release the economic opportunities on Aboriginal land claims, especially those that have a potential economic opportunity, it is going to get harder not easier because there seems to be another overlay of bureaucracy, planning, environmental value, climate change, habitat corridor, and it goes on and on. If we had done it 10 years ago, we would have jumped through the hoops easily but now it is getting harder to obtain that economic realisation. Even for the land that was probably economically viable five years ago, there are now another 100 hoops put in front of it because of the latest changes and desires of government.

**The Hon. SHAYNE MALLARD:** But that applies to everybody.

**The Hon. PAUL GREEN:** You are right, but this inquiry is about Aboriginal land, and we are trying to unhook some of those opportunities. I am merely making a point that this overlay of environmental factors—certain species and native vegetation—once again, we have found out we could not unhook this prior to the 2009 LEP, let alone now with this new layer of planning.

**CHAIR:** Does Mr Venkat agree with your speech?

**Mr VENKAT:** As I said, I cannot comment on the changes to LEPs and the impact.

**The Hon. PAUL GREEN:** I have been frustrated by the whole issue.

**Mr VENKAT:** I cannot comment on that.

**The Hon. PAUL GREEN:** I have been frustrated on behalf of the Aboriginal communities.

**Ms MAMOONEY:** Land is obviously critical, but there are a lot of other things that the department of industry and other agencies are doing to help Aboriginal people build their capacity for becoming more economically viable. The Aboriginal Economic Development Framework or prosperity framework is one example.

**CHAIR:** Has that finished?

**Ms MAMOONEY:** No, it is in progress.

**CHAIR:** When is it due to finish?

**Ms MAMOONEY:** We are working with Aboriginal Affairs to develop it at the moment. The minerals industry based agreement is another example. We are working with the minerals industry to develop strategies for Aboriginal procurement and employment in the industry. We are also working in Local Decision Making with the Murdi Paaki Regional Assembly. Apart from that, there is a lot of capacity building and we are working with Aboriginal people on their training and career paths to help develop their economic prosperity.

**The Hon. MICK VEITCH:** To follow on from that, I will present a scenario to you. A young Indigenous boy or girl leaves school, goes through an apprenticeship in the construction industry, becomes a builder and works for a couple of years. They would like then to get their gold licence and run their own business. Along that path there are many hurdles. I know that for an individual the biggest hurdle at the end of that is the requirement to have \$100,000 in the bank before they can obtain their gold licence. That is needed as backup in case there are issues along the way. How are we helping people along that pathway?

**Mr BARNES:** I will talk about some of the areas where the Government is providing assistance as part of the training initiatives that it has introduced. Since January 2015 around 10,000 Aboriginal young people have taken up, through their entitlement, the opportunity to train through the Smart and Skilled initiative. That training is free, which is a good thing. As part of Smart and Skilled, young Aboriginal people get access to mentoring. That is important because a training experience, whether it is an apprenticeship, certificate II or another form of training is only as good as the opportunity it provides to move into full-time employment and be a productive person in the workforce. The availability of mentoring is super critical. A number of providers offer that, not just in and around Sydney but also out in the regional areas. TAFE plays a role in a number of those regional areas.

If a young Aboriginal person wants to start a business then they have access to Aboriginal enterprise development officers who will help to scaffold the experience that they need, because getting through the hoops—and there are always hoops—is a chore. In the last financial year about 1,100 people accessed that service. Year-to-date this year the figure is about 800. That translates into people doing further training in how to set up their own business. It then translates into them establishing their own business. There is scaffolded support all the way through.



While there are specific programs for Aboriginal people, these types of initiatives also apply to the broader base of people who want to start up their own small businesses. The Office of the NSW Small Business Commissioner, through Small Biz Connect, is going to have dedicated programs to help people move into small businesses. There is an improving level of government scaffolding to help in the scenario that you have identified. There are always extenuating circumstances that are probably beyond our remit that mean that the layer of support, when they are not being mentored, affects their capacity to translate earnings into ensuring that there is enough money in the bank to support their entry into business. That may on occasions be problematic.

The other thing that has been developed with the Minerals Council and the Master Builders is that the civil contractors also have a compact through the OCHRE program, specifically to support young Aboriginal people who want follow the pathway that we have talked about. Typically they are underrepresented in some of those industries. We are very keen to make sure that we get more Aboriginal young people into those industries that we know have good career paths and opportunities for long-term, sustained employment.

**The Hon. MICK VEITCH:** Earlier in your response you said there were 10,000 commencements under Smart and Skilled.

**Mr BARNES:** Yes.

**The Hon. MICK VEITCH:** How many of those are completions? What is the dropout rate?

**Mr BARNES:** I can get that for you. I do not have that with me today. Under Smart and Skilled an expression of interest turns into a commencement and that turns into completion. I imagine it would be a bigger number for 10,000 actual commencements. From our perspective the proof will always be the conversion from that into employment—probably more so than completions. The very real scenario that develops is that some people commence training and get two or three skill sets, and that allows them to engage in meaningful employment without ever having completed their certificate. I am happy to take that on notice and to bring the information back to the Committee.

**The Hon. MICK VEITCH:** I am also interested in when people leave. How long do they stay in the program before they leave? Do they stay for a couple of weeks or for six months? Do you undertake an evaluation of how long people stay and why they depart?

**Mr BARNES:** The very fact that we have mentoring programs to work alongside young people is that a number of young people—and not just Aboriginal people—start on a pathway and change their mind, for a whole range of reasons. Our colleagues in TAFE have become very good at delivering appropriate training to young people, particularly if their literacy and numeracy levels are not what you might expect to make engagement in training or further education as easy as it could be. The training packages and training approaches these days have matured to the point where they get young people on the tools very quickly. They build literacy and numeracy into the program as these young people are engaged in doing things.

**The Hon. MICK VEITCH:** Workplace functionality.

**Mr BARNES:** Exactly. I saw an excellent example through TAFE Western the other day, which is taking outreach training into Aboriginal communities. They had lifted the rate of not only participation but completion to a very high number by virtue of having a more responsive way of engaging people in training. One of my boys went into training and he had more starts than Gunsynd until he worked out what he wanted to do. There are, again, extenuating circumstances, but there is no doubt that young people from disadvantaged home environments who have not participated as productively in school education as they otherwise might have, for a whole range of reasons, do need scaffolding and support and different ways of converting that training experience into participation in work.

**The Hon. MICK VEITCH:** One of my young blokes—to use your racing analogy—not only changed horses mid-race, he also changed race courses!

**CHAIR:** You will take this on notice and give us a bit more information?

**Mr BARNES:** Absolutely.

**CHAIR:** We are trying to find the good examples like that TAFE Western training scheme, and the impediments so that we can highlight some of these things and help people move forward.

**Mr BARNES:** We are very happy to do so.

**The Hon. RICK COLLESS:** At what age do you pick these kids up? What level of education do they have at the time they come within your sphere of influence?

**Ms McGREGOR:** In TAFE we work within the legislation to raise the school-leaving age. There is negotiation with young people, sometimes, about them starting at TAFE earlier than we would like. In terms of taster programs, engagement and so on we have done quite a lot from years 9 and 10. There is also a lot of talk about the value of years 7 and 8. I do not think we are currently doing that in a big way. However, the value is in exposing people from a really young age to what is possible in terms of career pathways and vocational education and training and having some hands-on experiences that can have a step after that, and a step after that, that seem achievable. That can help get people ready for a pathway into an industry career.

**The Hon. RICK COLLESS:** You might have heard me ask a question of the previous witnesses about the Clontarf Foundation and the work that they are doing with young high school students in years 7 and upwards. Have you had any interaction with any of the graduates from the Clontarf program? Have you worked with people that are in that program?

**Ms McGREGOR:** I have not, and I am not aware of TAFE working, across the board, with them.

**The Hon. RICK COLLESS:** It is still at a fairly early stage in its roll-out in New South Wales. It has only been going for perhaps three or four years now. I have had some experience with the Clontarf Foundation and people that have been through that program. I would like to let you know of an experience I had. The Premier rolled out some extra funding for the Clontarf Foundation and the announcement was made at the Endeavour High School in Cronulla last year. There were two young men there that had graduated from Clontarf and were now working for a concreting contractor in southern Sydney somewhere.

Both of these kids came from Coonamble. I asked them what they wanted to do going forward from here. One of them said, "I want to go back to Coonamble and start my own concreting business." That sort of philosophy was so impressive from these young people. I would like to get your comments on your views about linking in with the Clontarf Foundation and making sure that, as children graduate from the Clontarf program they are made to feel that they are very welcome to go into further studies through TAFE or whatever else they might aspire to.

**Ms McGREGOR:** I guess there are two ways of looking at that. One is that we would welcome Aboriginal students from programs all over Australia into TAFE NSW. That might be as a general enrolment. So, if they find a course that meets their individual needs in a location that suits them they can access support as Aboriginal students to help them succeed in that.

Another way to look at it is that there are certain areas that we are treating as growth areas or particular priority areas, where we are pursuing partnerships with industry or other providers, which could be education providers. We see an opportunity for that to be thought of as more of a national network, I suppose. Often our funding restricts us to work with people who live or work in New South Wales—for example, under Smart and Skilled. If we combine that with other funds like the Commonwealth away-from-base activity funding—which supports travel, accommodation and meals for Aboriginal people anywhere in Australia to come to New South Wales to train and so on—the only barrier is in the cost of the training places if the graduates do not ever work in New South Wales.

I guess the industry partnerships or collaborative arrangements we can have with other partners mean that we have more scope to have things that feel targeted for Aboriginal people. As an Aboriginal person if you see a program that is couched as an Aboriginal program you assume that there will be some cultural safety and that there will be other Aboriginal people to learn with. That is not the top priority for every Aboriginal person but we find that it makes a very big difference, given the experience that most Aboriginal people have had with large institutions in the past.

**Mr BARNES:** In a former life I spent six years in the Northern Territory. The Clontarf Foundation is well known to people up there. After Western Australia, the Northern Territory was the next jurisdiction that

picked it up. I would like to make a couple of comments. I know the founder of that program very well. Any program like that is as good as the quality of the mentors that they recruit. That is something they have been very good at. They are getting high-quality role models that are absolutely strict about making sure that the benefits of being in a program like that translate. They require school attendance and the like. In that program in the Territory we have ended up with more first-generation workers in families than had ever been the case previously.

The biggest predictor for a young Aboriginal person to move into paid employment is having a mum or a dad that is in employment. Cracking that cycle of disadvantage is fundamental, and that starts at school. The guys from Clontarf needed to be helped. They need the education department to open up structured work placements so that, from an early age—it is not just what happens with the structure, the discipline and the collegiality—they have a pathway to employment. You need employers and you need school-based training and structured work placements.

The other comment I would make is that this has worked very effectively to place young Aboriginal people amongst a cohort of people—both Aboriginal and non-Aboriginal—that have a range of aspirations. One of the real challenges that we sometimes have in some of the more remote Aboriginal communities right across the country is in getting that really strong surrounding of young people who aspire to be better. In life, if you surround yourself with people that want to be better, you usually lift to that level yourself.

There are some real challenges in this whole patch, but we need to link training in, as a viable and legitimate option in school, as an outcome for all kids. Sometimes it is treated as a second-class outcome to going into a course at university which, these days, might rarely translate into work in the field in which you have studied. I think there are some real challenges there.

**CHAIR:** Ms McGregor, you mentioned that you were looking at partnerships with organisations. How does that process work? Is the TAFE identifying organisations and going to them and starting it, or are you waiting for people to come to you?

**Ms McGREGOR:** I can give a couple of examples, and I am sure there would be others around the State we could follow up with. One example is training for Aboriginal health workers. We have basically gone to Aboriginal medical service organisations and talked about some of their training needs. Obviously that is quite extensive—from customer service to pathology, diabetes and so on. We are doing some scoping around that now. One of the immediate opportunities was around the qualification that allows an Aboriginal health worker to be recognised under AHPRA and then generate Medicare revenue, which not only contributes to the organisation but also builds the capability of that individual Aboriginal worker. In that instance we have approached the National Aboriginal and Torres Strait Islander Health Worker Association and we are very close to signing a memorandum of understanding [MoU] with them.

We have also submitted an application to Australian Health Practitioner Agency (AHPRA), which is pending but about which we have had some positive indications so far. Off the back of that we are now running a certificate IV program for Aboriginal health workers out of Port Macquarie. Aboriginal students can travel in from anywhere for that with Federal Government support for their travel, accommodation and meals. We are utilising a shared facility called the Shared Health Resource Education Centre [SHREC]. Basically that space is a collaboration with the University of Newcastle and the University of New South Wales. There are other medical students learning there. So our Aboriginal health worker students are there and when they come out on their breaks they are mixing with medical students and so on.

To extend that, we have some certificate III programs that can feed into that. We have also just started a TVET certificate II for Aboriginal health workers. So that means while students are still at school they can start that certificate II and it can count towards their Higher School Certificate. So I guess it is about having that pathway. We have identified a university that we would like to approach so that there is a degree pathway—understanding that people might be at school, try it and decide they do not like it—from a community member wanting to engage someone who is in the workplace right through to someone who wants to go to uni. It feels as though the best way to do that is to have collaboration at every point.

Another example is AbSec, the peak body for out-of-home care service providers for Aboriginal people. We have a MoU with them to provide training for their staff and to look at their workforce development needs. Again, it is about having a diploma program. We are running it around the State so that their staff can come and do that for particular workplace requirements. A spin off from that has been other training they have

identified that really is about running an organisation well—so it is report writing, customer service and a whole range of things.

We have also recently worked with the Aboriginal Affairs department and we have started to talk to some local organisations in the North Coast region about how we take those services that are common across Aboriginal organisations, and I think would equally apply to some business contexts for small business, and package them up in a way that they can be flexible as well—whether it is project management, tender and submission writing, or procurement and understanding how to be in that space of being part of construction contracts and so on. It is the skills and capability support for organisations to do that.

So I guess part of TAFE is about individuals coming and enrolling in courses, and that is very important for individuals and we will continue to support that with foundation skills and so on. But there is this whole other suite of services which is much more about starting with the workplace, the organisation, the industry partner and so on and designing training that fits. It is almost like training is a subset of that broader partnership rather than the focus being on the course, the campus and so on.

**The Hon. MICK VEITCH:** Ms McGregor, you mentioned AHPRA earlier in your response.

**Ms McGREGOR:** Yes, it is the accrediting body for health practitioners.

**CHAIR:** Those are all really good examples that we would love to showcase a bit more. If you have any more, and if you could take this question on notice, we would love to hear about those as well.

**Ms McGREGOR:** Yes, I think we can get some more information to you.

**CHAIR:** Could you also on notice give us some more statistics—you mentioned that there were 37,000 enrolments. Could you give us, again, similar to what we have asked Mr Barnes, the outcomes and any comments you might have on the reasons people drop out, which we might be able to highlight and make some comment on?

**Ms McGREGOR:** Yes, we can do that by region, by age and by level because it seems to be quite different.

**CHAIR:** That would be great. Mr Venkat, just before you go, you talked about capacity building both in terms of the communities being able to make decisions, so the actual members of the community being able to input, but also the sort of things that Ms McGregor was just talking about around the actual service provision, project management and all of that sort of thing. Is an organisation like yours one that might be able to provide that sort of package of project management skills and those other sorts of skills to individual land councils? Because one of the problems I can see is that every land council is trying to develop the same skills, and in many cases they are only going to have a couple of projects anyway. It seems to me that it would be sensible to have a central skill base that they could trust and that could work with them. Do you have a view on that?

**Mr VENKAT:** I cannot comment as to whether a central body could do that. But there is definitely a need out there for a targeted, centralised investment in capacity development and a body to help facilitate that. Whether or not that should be the New South Wales Aboriginal Land Council or Federal government agencies I cannot comment on. But we definitely need investment in that hands-on support—skilled, qualified people, ideally from the private sector, and a mix of Aboriginal community members, would be the ideal answer.

**CHAIR:** Thank you very much. We have gone a bit over time but your evidence has been very valuable. Where you have taken questions on notice, please provide answers to the Committee secretariat within 21 days. If you have any trouble with that, please let the secretariat know; and I am sure we can accommodate a slightly longer deadline.

**(The witnesses withdrew)**

**(Short adjournment)**

**ROY AH-SEE**, Chairperson, NSW Aboriginal Land Council,

**TRICIA BUTTON**, Eastern Divisional Manager, Indigenous Land Corporation, and

**TRI NGUYEN**, Legal Counsel, Indigenous Land Corporation, sworn and examined:

**CRAIG NORTH**, Executive Director, Indigenous Land Corporation, affirmed and examined:

**CHAIR:** I welcome witnesses from the Aboriginal Land Council and Indigenous Land Corporation. I invite both organisations to make an opening statement.

**Mr AH-SEE:** Thank you for the opportunity to present today. As per protocol I acknowledge we are meeting on country and I pay my respects to all the elders, both past and present. Equally as important, we must not forget our brothers and sisters who have gone before us because without their inspiration, compassion and commitment I would not be in the position I am in today. I acknowledge that we are meeting on the lands of the Gadigal people of the Eora nation, and also in the boundaries of metropolitan local Aboriginal land councils.

We welcome this opportunity to give evidence to this inquiry into economic development in Aboriginal communities because we face many challenges in the State of New South Wales. When I say we, the NSW Aboriginal Land Council and the whole of the network deal with the most disadvantaged socio-economic people in this country, and that is our Aboriginal people. In many cases, whilst opportunities exist for non-Aboriginal people in this country to seek employment in the private sector and private industry, for our people there are many challenges because of racial vilification against our people, the fact that we have been treated as second-class citizens in our country for a long, long time. But I must say things are improving.

The NSW Aboriginal Land Council has been around since 1983. It is a creation of this Parliament and we are very proud of some of our achievements. Whilst we have many challenges we believe that we have come a long way in the course of the last 33 years, and that is with the assistance of previous governments and governments today. We have an extensive network; we cover the whole State of New South Wales. We have 120 land councils across New South Wales. We have a membership base of over 23,000 Aboriginal people in New South Wales. When you start to unpack that you see a network that has not just fallen out of the sky over the course of the last 33 years but has evolved.

We have over 100 chief executive officers. If you look at the board members, we have 10-person boards for some of our local Aboriginal land councils. The land councils with a membership base of 100-plus exist with a 10-member board and the ones under that number—five to seven—have a seven-person board. Not to mention the NSW Aboriginal Land Council out at Parramatta, our State office: There are employment opportunities there for Aboriginal people and non-Aboriginal people within the NSW Aboriginal Land Council. We also have zone offices spread around the State. They provide support, capacity-building services and monitoring compliance work for our local Aboriginal land councils.

Later on, if I get an opportunity, I will touch on some of our achievements. I noticed a question came into the inquiry about the NSW Aboriginal Land Council only benefits members of local Aboriginal land councils. That is not the case, because the preamble to the legislation says that we are here for all Aboriginal people in New South Wales. If we get a deceased person in our communities, the NSW Aboriginal Land Council has a funeral fund. We give \$1,000 to any family—they do not have to be a member of a land council—towards the burial of their loved one. That poses challenges for us but the council understands that in order for us to be able to alleviate problems for our communities we have to make that commitment and we will continue to make that commitment, while ever I am a councillor anyway.

We have an economic development unit within the NSW Aboriginal Land Council [NSWALC], and Mr Venkat would come across as a secondee. He has done some really great work. We have pulled down \$16 million out of our statutory investment fund, parked it on a five-by-five-year basis and it gives local Aboriginal land councils an opportunity to seek low-interest loans to create businesses out there in the community. We have to stimulate our own businesses. Yes, government can play a critical and a key role in that, but we have to show leadership and be able to say we have to move forward. Some would argue out in our communities that economic development is not the silver bullet, but I tell you what, it goes a long way towards delivering services in our communities.

Education was spoken about earlier and we have some fantastic stuff happening in our communities. I would like to touch on something that is very dear to me in the importance of education. I have a son who graduated last year at the Newcastle university. He is one of only five Aboriginal podiatrists in this country. He is a foot doctor and he sits on the board of his local Aboriginal land council; he is active in his land council. These are the types of young leaders that are coming through the network. You do not hear these stories out there. He is passionate about not only his community but his land council. He is doing some amazing stuff. They are so articulate. Our responsibility as a council is: How do we embrace them younger leaders that are coming through, incorporate the knowledge and wisdom of our elders and bring them together so we have a mix that will deliver programs for our communities?

**CHAIR:** We are going to visit Darkinjung, so hopefully we will see your son.

**Mr AH-SEE:** Yes. Please come up.

**The Hon. PAUL GREEN:** Get our nails done.

**Mr AH-SEE:** I will not give you his name but I am sure you will meet him. I would love to see you come up there, you are most welcome. Darkinjung are doing some fantastic stuff with the housing developments. I have to show respect to Mr North and the other speakers.

**Mr NORTH:** I thank the Committee for inviting me today. I have a couple of short statements, a little bit about the Indigenous Land Corporation [ILC] and what we do and specific to New South Wales around economic development to give a taste of what has been going on over the last couple of years. First, I pay my respect to elders past and present of the Eora nation on whose land we meet today and the wonderful country and land it is. I will give you some background to the Indigenous Land Corporation: We are an independent corporate entity that was established by the Australian Government under the Aboriginal and Torres Strait Islander Act established 20 years ago in 1995. We have a specific purpose about acquiring land and helping manage existing Indigenous held land to provide economic, environmental, social and cultural benefits for Aboriginal and Torres Strait Islander people.

Our revenue comes from the land account which is established under that legislation and how that works is set out in the Aboriginal and Torres Strait Islander Act. It requires that the ILC undertakes its function in addition to, not instead of, other functions conferred by other State and Federal agencies to set that platform. In terms of land acquisition: since its inception the ILC has acquired a total of about six million hectares across the country and they range from remote pastoral and tourism properties to urban commercial properties in Sydney and properties of cultural and environmental significance. In New South Wales we have acquired 55 properties representing about 21 per cent of our total acquisitions nationally and granted 38 of those properties, 70 per cent of those properties, to Indigenous landholding bodies.

With our land acquisition function it is a requirement to acquire for the purpose of granting to Indigenous organisations. Around 13 of those granted properties are greater than 1,000 hectares and valued at \$19 million. In terms of our land management work: that has a broad definition which is providing assistance for activities that consist of or relate to the management, use, care of, or improvement of Indigenous held land; also, to deliver economic, social, cultural and environmental benefits. Since 2004, in the last 10 years, to give the Committee a feel for the numbers, we have committed about \$54.8 million to 33 land management projects in New South Wales that are currently being implemented or completed in that time, which represents about 17 per cent of our total national investment. Approximately \$40 million of that has been in the Redfern area and Committee members might be aware of the National Centre of Indigenous Excellence, which is a significant part of that investment in Redfern.

**CHAIR:** I was there just last week.

**Mr NORTH:** Good, did you enjoy it?

**CHAIR:** Yes.

**Mr NORTH:** Great. There is a further \$668,000 and eight other land management projects involving local Aboriginal land councils, which is Mr Ah-See's network, the New South Wales Aboriginal Land Council. The way we approach our land acquisition and land management work, we have a program arrangement titled Our Land Our Future and that started last year where we changed the way that we work with Indigenous groups

and moved away from an application based process to working with groups to develop their proposals in the design phase through to completion. The idea of that is to give flexibility and use our skills and expertise to work with Indigenous groups as opposed to being judged on how an application is drafted or formed. The spectrum of assistance can range from small grants right through to joint venture business partnerships and as you will see with the National Centre of Indigenous Excellence we have set up subsidiaries to operate businesses to derive significant benefits.

In April last year under the Our Land Our Future arrangement we started a partnership with New South Wales Aboriginal Land Council as a part of their economic development strategy where we are looking at assessing eight new land management proposals, eight of which relate to local Aboriginal land councils being considered under the partnership. We have taken due diligence on business viability determining outcomes, benefits and economical credentials and we are looking to leverage other investment from partners to progress those in the near future. In the media you may have seen that the ILC operates the Merriman Shearing School. We have 17,000 hectares near Brewarrina where we operate a residential school and have young Indigenous people from various backgrounds that undertake a 16-week intensive training course after which they leave to be employed in the wool industry. We have an Aboriginal contractor that provides that training. It has been getting good outcomes. I am happy to provide those outcomes if the Committee should see that as appropriate. Overall it has been a \$107 million investment in land acquisition and management across New South Wales.

**The Hon. MICK VEITCH:** As a former shearer I am keen to talk to you about that shearing school.

**CHAIR:** We are going to visit.

**The Hon. MICK VEITCH:** I know where that is heading.

**Mr AH-SEE:** Bring your dungarees.

**The Hon. MICK VEITCH:** I would like to explore mentoring and leadership. This inquiry is about unlocking economic participation for Indigenous people. I am keen to see if NSWALC or ILC assist people in becoming leaders, identifying suitable mentors to assist people moving in to the business world.

**Mr NORTH:** I can give you some examples. We have three subsidiaries at the ILC, one is the National Centre of Indigenous Excellence Pty Limited. In addition, as part of land acquisition land management work we operate tourism and pastoral businesses through two subsidiary companies: one is Voyages Indigenous Tourism Australia, which operates Ayres Rock Resort, which we acquired a few years ago, as well as Mosman Gorge tourism centre, and Home Valley Station in Kununurra in Western Australia. Each of these assets has residential training centres where we provide career development pathways for Indigenous people. The ILC commits about to \$3.7 million a year in Indigenous training and jobs associated with the businesses.

That is the tourism side and on the agricultural side we have the National Indigenous Pastoral Enterprise [NIPE] which operates primarily in northern Australia in the live cattle export industry and we do have a sheep property in Murrayfield, Bruny Island. Of the 14 there are 11 that have residential training centres. We have entry-level type training where people come and learn at a certificate II level to become a farmhand through to hopefully property management, work experience through to supervisors, property managers and further. We have strategies coming up through agricultural and tourism businesses. I think that is about 340 jobs per year that we are offering as new positions. Anyone who comes to the training course and completes has guaranteed employment with our business or placement with industry. That gives you a feel for the amount of investment and the numbers.

In our other program areas I talked about earlier we do provide capacity building around property management through our funding. The capacity building is largely around infrastructure and property planning. We are moving towards using some of the subsidiaries like NIPE to partner with existing Indigenous pastoral operators to help build their capacity as future owners of the land. A number of our business properties we have had communities, particularly up north, ask us to invest in their property and we take a lease back to put investment on that property. That becomes a joint venture type of arrangement where we build that business capability with that title holding body over a period of time so as we walk away they operate the property on their own but using our investment to get there.

**The Hon. MICK VEITCH:** Does NSWALC have mentoring programs or leadership identification programs?

**Mr AH-SEE:** Sure, and I think it is a great question. NSWALC pride ourselves on our governance structure and under the legislation it is mandatory for board members to undertake training if they want to sit on the board. That is outlined and articulated in the legislation. But in respect to mentoring and leadership, I mentioned earlier about our younger people that are out there in our communities. We are trying to embrace and capture that knowledge that is out there. I guess this term "economic development" has been there for a long, long time but it is new to council. When I say it is new to council, council only made the decision in the last term to release funds and pull down about \$16 million to be able to leverage that through partners like the ILC and Indigenous Business Australia [IBA]. The dilemma for council is the capacity building component of it. It is about finding our younger people out there and our people that want to go into businesses. Because the policy requires that if you want to access the \$16 million it is for land council businesses. Council are now starting to realise that that could be an issue, because obviously we all know that—

**CHAIR:** It is too narrow.

**Mr AH-SEE:** Is too narrow and you have to go back to the members and seek members' approval. We have our chairperson with us today in the gallery, Jack Beetson. He is very experienced. We also have our internal committee that exists of industry experts. In answer to the question, we want to look at capacity building for our people that are out in the network. How we do that is going to be the challenge for not only our economic development committee but also us as councillors moving forward. We have got some people out there. Is the Committee familiar with the Worimi sand dunes business that has won international awards for tourism?

**CHAIR:** Yes, but for the sake of the record you might just quickly describe it.

**Mr AH-SEE:** Worimi Local Aboriginal Council is a land council up at Nelson Bay. They have won a land claim to Stockton Bight and those sand dunes are just amazing. They have created a tourism business where they go out on country and they go out on four-wheel motorbikes. People from all over the world flock up there to go out and experience those sand dunes. That is their own business. They have won tourism awards not only statewide but I think they have also been nominated internationally for some awards. They are doing it. Some of our land councils are out there actually doing it. I think for us as council we have got to stop and say, "Okay, they have made this work. How do we tap into that or embrace that to be able to replicate it in other areas?" We have got other land councils that want to do stuff that are not necessarily communicating. Our challenge is how we get the message out there to encourage them to take the leap. That Economic Development Unit is a part of that process. Council have identified capacity building and mentoring.

**CHAIR:** Thanks for telling us about the dunes. The Committee will probably be very cranky with me because we looked at going up there and riding on the quad bikes but I decided that the Committee could not have any fun.

**Mr AH-SEE:** Mr Chairman, you have got to take them to Worimi.

**The Hon. SOPHIE COTSIS:** I wanted to find out about the opportunities for young people, because I also have multiculturalism, ageing and disabilities as part of my shadow portfolio. What are some of the solutions you propose so that our Aboriginal youth can become involved in start-ups as they are leaving school? That is something I am interested in.

**Mr AH-SEE:** That is a good question. Under the legislation there is a provision for the establishment of youth advisory councils, it is in the legislation, and also elders advisory councils. We used that provision to set up our youth advisory council and also our elders advisory council. It worked pretty well for a little while and then it just sort of fell off the agenda. Under my chairmanship I have raised with council that I would like to see the re-establishment or bringing back of our Elders and Youth Advisory Council because we need to engage our younger people. They just think so differently to us today—well, to me. I cannot speak for other people.

I notice in conversations I have with my young son that we do not realise how savvy they are in terms of business, economic development, social welfare and what the challenges are. He is just rattling off all of this information. I would like to see the Government partner with the New South Wales Aboriginal Land Council in a way that is similar to the Freddy Fricke Scholarship that we have for young Aboriginal people. Council would be happy, no doubt, to sit down with the Government to look at a program that could be an equal partnership. We have resources and the Government has resources.



**The Hon. SOPHIE COTSIS:** On that point, some legislation came through last year to establish a jobs committee under the Department of Industry. Have you been invited to participate on that committee by the department?

**Mr AH-SEE:** Maybe head office has, but in respect to the elected arm it would be a matter for our policy unit. No doubt they would have received the invitation if it did come in to head office.

**The Hon. SOPHIE COTSIS:** What you are talking about is a great idea in terms of partnering with government and key agencies or perhaps an interagency group that has the authority and influence to make decisions. I am keen to see that we do not just hold talkfests but we find some real solutions. Everyone here is committed to finding those solutions and unlocking that development.

**Mr AH-SEE:** Absolutely.

**The Hon. PAUL GREEN:** We started a business through the New Enterprise Incentive Scheme [NEIS]. It had a good mentoring scheme where you could take your concept and develop it. Does the land council have any unique Indigenous focused enterprise scheme where you are basically incubators for people like your son so that he has an opportunity? There is no doubt there are resources out there but are there any incubators for economic development involving young people?

**Mr AH-SEE:** I will take that on notice and get back to you with some information about that. I guess we have our Economic Development Unit and no doubt they will be charged with looking at whether we establish incubators or research units or whatever the case may be in respect to economic development. I am happy to take it on notice.

**The Hon. PAUL GREEN:** We have just heard the statistics about TAFE and the increased numbers of Indigenous students who are graduating, which is fantastic. One of the next pathways should be the opportunity to incubate their creativity, but it is very hard to get budgets for that. We have the New Enterprise Incentive Scheme [NEIS], Business Enterprise Centre [BEC] and iTech schemes—I think they are Federal and State initiatives. There should be one set-up for Indigenous people who want to have a shot at starting a business.

**Mr NORTH:** Something like Indigenous Business Australia [IBA], an entity incorporated under the Aboriginal and Torres Strait Islander Act [ATSI] like the Indigenous Land Corporation [ILC], is worth having a look at. I was just going to make the point for the ILC, we probably don't have incubators for individuals who have business ideas; we probably deal more on the corporation or community organisation level, if you like. But we certainly through the Our Land Our Future program, which I was mentioning before, have that facility if you have got a business idea and would like to develop it further. We do have that capability and could use what resources we have to test the feasibility and grow it further.

**The Hon. PAUL GREEN:** Under the NEIS scheme we had 20 people with totally different business models but they virtually helped you to put together a business plan. Then you had a go and you were undergirded for 12 months because your Centrelink payments or something else were offset so you could take the risk. Most of those businesses got up and going—and some of them are still going. It was amazing to see how many upstarts got going through that system. I am surprised that there would not be something that is specifically focused, given that the educational move in the Indigenous population is growing and, as you say, there is a lot of gift and talent out there waiting to be nurtured or mentored.

**Mr AH-SEE:** I think the vehicle for moving that type of project forward is the NSW Aboriginal Council. We have got the network and a membership base and we have got prudent experience over the course of the past 33 years. We have made a lot of mistakes but, I tell you what, we have learnt from our mistakes and we are in a position now where we can really start to unlock the vision and the inspiration of some of our communities. We are not going to be the silver bullet—but a lot of our mob think that we are the silver bullet—and we can't do it alone. We have got to have ILC at the table and we have got to have IBA at the table and we have got to have government at the table, like the Hon. Sophie Cotsis said, in terms of them agencies that have a responsibility to deliver a service to our communities. An example was just brought to my attention of Wilcannia. You have got three employment agencies out there, or whatever the case may be, that are receiving resources to find people jobs; the focus is on the agency rather than the individuals. There are live examples out there and I think we can be a part of the solution rather than a part of the problem.

**Mr NGUYEN:** If I can follow-up on an earlier question in terms of mentoring and executive development? It is a strategic focus of our organisation and it is part of our legislation that we maximise Indigenous employment. We do have some fine examples of that sitting both to my right and my left here in terms of our Indigenous executive development program.

**Mr NORTH:** You are very kind.

**Mr NGUYEN:** Mr North can elaborate further on that program, if you would like.

**Mr NORTH:** I touched on it a little bit earlier. Just on your point about mentoring and engaging, I think we probably should not forget the role that the National Centre of Indigenous Excellence [NCIE] could play in that space—we have large numbers of youth come through from regional and remote areas as well as urban areas of Sydney—on a range of different fronts: education, sport and literacy and so forth. Maybe that could be a part of the bigger solution or coordination of the solution.

**The Hon. SHAYNE MALLARD:** Is there business training there?

**Mr NORTH:** Not that I am aware of. I will have to take that on notice, I am sorry.

**The Hon. SHAYNE MALLARD:** Just in terms of capacity building.

**Mr NORTH:** Probably it has been more around the fitness and leisure. There have been education and literacy-type programs over the years but I do not think there are specific business ones. In terms of nurturing the youth, we could talk about the Merriman school for a moment as a part of that. It is just not an accreditation or getting a certificate, there is a large focus all across Merriman and the other properties about life skills development because obviously the youth we have come from a variety of backgrounds and juvenile justice. We need to help them cope in those aspects of their lives and we do have a good team out there. We make sure a component of our youth training and development is not just accreditation orientated, there is a life skill and mentoring component to that—right through to employment.

**The Hon. PAUL GREEN:** Do you have any scholarships for the company director course?

**Mr NORTH:** The Australian Institute of Company Directors [AICD] one?

**The Hon. PAUL GREEN:** Yes. Do you have any scholarships with them?

**Mr NORTH:** We don't at the moment.

**The Hon. PAUL GREEN:** It is a loaded question.

**Mr NORTH:** Yes. I could tell. I have completed the course.

**The Hon. PAUL GREEN:** I mentioned it because it is a very good course.

**Mr NGUYEN:** In our corporate office in terms of our Indigenous staff if they wish to have extra professional training we do provide for that. Like Mr North said, he attended the AICD course. Within my legal team there is ongoing professional development.

**The Hon. PAUL GREEN:** As Mr Ah-See said, there is not a silver bullet; it is the opportunity for different people. It is great that you have done the course, but I am talking about those who are training because they have got talent to go further. A scholarship would be tremendously helpful.

**The Hon. SHAYNE MALLARD:** This morning the Committee discussed the issue of the backlog of land council claims with the government representatives who gave evidence. In particular, the conflict between Federal and State applications for land was raised. There were two representatives—one on each side of that equation. Is a conflict occurring in terms of unlocking the potential of land when a land title claim has been made?

**Mr AH-SEE:** There is a culmination of different elements in regard to the backlog. Through the reform process we have what we call Aboriginal land leases. It is an opportunity for the land council and the

department to work through the land claiming process and the backlog—28,000 land claims is a lot of land claims. When we talk about economic development and opportunities for Aboriginal people in New South Wales to create opportunities, I mean how much opportunity is tied up within that backlog?

**The Hon. SHAYNE MALLARD:** On both sides of the equation.

**Mr AH-SEE:** On both sides. I think it is unfair for me to sit here and just blame wholly and solely the department; it has to be an agreed negotiated process. The NSW Aboriginal Land Council has always been open to sitting down with the department or the Minister—we are in conversation with the Minister at the minute on how we can work closer together to alleviate, I guess, the backlog. In order to receive a land claim it has to go through surveying. It costs millions and millions of dollars to survey some of these lands. There are challenges in that respect as well. I am hoping that through the process of the Crown lands review, the local land pilots will be a road map for us moving forward rather than at loggerheads all the time over land claims.

For the benefit of the Committee, for those local land pilots they have chosen four areas across New South Wales and I guess with the approval of that local government they will sit in a room. Obviously it is not going to be that simple but there is a process they have to go through. That will be a vehicle to be able to, let us just hope, unlock this backlog of land claims, because it is not doing you any favours and it is not doing us any favours and our networks are just getting so frustrated. There are land claims there that have been in since 1983 or 1984—that is over 33 years. That probably does not answer your question.

**The Hon. SHAYNE MALLARD:** The question was supplementary, but that is very helpful.

**Mr NORTH:** Just in terms of us acquiring land, we primarily acquire land off the open market, whether it be freehold or leasehold title. I am not perceiving any intention there. I guess where it does intersect with the land council is when they receive land there is our land management function. I explained a little bit earlier about helping improve, care or develop the land. We could complement the NSW Aboriginal Land Council in getting land in production or better use and all that. I am not seeing our functions about acquiring land for Indigenous people as having an intention there; it is just that we are acquiring it from another market.

**Mr AH-SEE:** When the legislation came about in 1983—and we must remember that it was compensation for dispossession of land, and that is clearly articulated in our preamble to the legislation—it is a mechanism for us as Aboriginal people to be able to acquire what is rightfully ours under that legislation, and it has worked, and it has worked for a long, long time. I have been to the United Nations a couple of times, because we have speaking rights at the UN, and when we tell them about this piece of legislation we have got in New South Wales they are just envious: "What? They give you freehold title to land, they are giving land back?" and I said, "Absolutely." Yes, we have got a long way to go but I am not going to sit here and talk about native title. I am a land rights person; I believe that we have got a system that is really delivering benefits back to our communities and, more importantly, I am thinking about the next 33 years, not the 33 years that have left us. We are going to be in a much better position in 33 years time.

**The Hon. RICK COLLESS:** On page 11 of your submission, down the bottom, you make a recommendation that the Committee considers options for improving the building and planning system. You may need to take this on notice if you want to give it some more thought, but we would like to get some idea of what sorts of changes you would like to see to the planning system in order to enable your programs to progress without the constraints that are obviously on them now. You mentioned the issue of down-zoning, and I understand that concept, but what other sorts of changes need to be made within the planning system to allow more programs to progress?

**Mr AH-SEE:** I will take it on notice but I will just add a little bit, if I can, from my experience in relation to how the planning laws are impacting on local Aboriginal land councils. We have a land council in the Sydney Basin and, it is as clear as the nose on your face, when you put up a map you will see what is the land council's claimed land and you will see what the other lands are—be they private owners or whatever the case may be—and you have got this green corridor that has been zoned environmental. Guess who owns the land?

**The Hon. RICK COLLESS:** You guys, the Crown; it must be the council.

**Mr AH-SEE:** It is the land council's land. You have got little parcels that have been zoned for building or whatever the case may be and it is so frustrating.

**The Hon. RICK COLLESS:** That is probably why it has been left behind though, because it is difficult to develop; that is why it is Crown land.

**Mr AH-SEE:** Talk to the land council and they will have a different view. They are saying how are we supposed to become part of this industry and unlock the challenges that are faced by our communities if we do not get the same opportunity to be able to develop our land?

**CHAIR:** We might take it offline to put us in touch with that land council in case we have not already spoken to them, because we would like to talk to them.

**Mr AH-SEE:** I will not elaborate any further, Mr Chairman.

**The Hon. RICK COLLESS:** Can I just follow up on that? Should the land council then be responsible for its own zonings in land that is owned by the land council? Should you be the determining body as to what the zoning on that land is?

**Mr AH-SEE:** Absolutely, yes, of course—for sure.

**CHAIR:** Do not go any further.

**The Hon. MICK VEITCH:** Just to follow up, Mr Ah-See, in one your earlier responses you spoke about the \$16 million you took out of your fund and set aside for programs for business development. Have you put a case to the Government to match that \$16 million?

**Mr AH-SEE:** No, we have not.

**The Hon. MICK VEITCH:** Is there a plan to do so?

**Mr AH-SEE:** I will take it on notice. From memory, I do not think we have, but that is an option for the NSW Aboriginal Land Council.

**The Hon. MICK VEITCH:** Are they going to be able to see if they can match it dollar for dollar? It seems like it is having a really good result. If you can match it dollar for dollar it would give leverage to be a lot more positive.

**Mr AH-SEE:** We just made a decision to award a land council some resources that it would not get—it would not stand up at a bank or whatever the case may be—at a very low interest rate. That is right out in western New South Wales, and they are absolutely stoked because they have got an opportunity to be able to showcase country, because it is about tourism and it is about people going out to see their country. We all know that many in this country or who come to this country want an Aboriginal experience; they want to go out on country and they want to have a look. We will take that on notice.

**CHAIR:** Thank you very much; it has been very, very helpful to us. Mr North, I know you have not put a submission in but you are going to. We are looking for the good examples to showcase. I personally have been up to Uluru and had a tour of the Voyages facilities up there. It is fantastic what you are doing. We want to be able to refer to some of those and say what a good job you are doing.

**(The witnesses withdrew)**

**SHANE PHILLIPS**, Chairman and Chief Executive Officer, Tribal Warrior Association, sworn and examined:

**CHAIR:** Tell us about Tribal Warrior.

**Mr PHILLIPS:** Tribal Warrior Association is fairly simple. I am from the Block in Redfern. Back in 1998 one of the elders there had a boat and another guy had some maritime skills and they said, "Let's train some people as master 5 captains, but let's train people who have written themselves off or other people have written them off and that have issues." Since its inception back in those days it has trained vast amounts of crew. Over 1,000 crew have been trained out of there. We wanted to own it and drive it ourselves, so there was minimal government dependency—actually, there is none.

The idea was based firstly on routine—drive a routine, push people, teach them about looking back. I was really resentful growing up. I grew up in Redfern resentful and angry—and there are words that I am embarrassed to use, like "hatred". What it did is it took me down a really bad path. That path took me way off track from where potentially any ideas or things that could have benefited us were left and parked because of that. What we had to do—and I will tell you as the Tribal Warrior story comes out—is we had to learn to get through that. Doing that enlightened me and I will tell you a little story about it as we go. That is sort of the journey of the association—to help people enable themselves to move from deficit thinking.

Deficit thinking comes when you keep telling each other that you are meant to be packaged in this certain area and you keep speaking to your kids in mediocre terms. People start to shackle themselves into it. I shackled myself into it for a long time. What we have done is we have moved the lens ourselves. We thought, "If no-one is going to move the lens and if all we hear is what is wrong with our people, we are going to move the lens and we are going to tell them what is right."

It is a cold, hard fact that in every industry in the country that all of our grandparents and their grandparents and anyone had worked in they worked really hard for rations or half wages. So we thought, "Let's teach these kids that. Let's teach these people that is where you come from, then we will teach them even further about their genetic link to what has happened, about all the excellence that has been part of this land, from ecology and our practices that are all about sustainability and everyone having a role." So that is the lens we forcefully push. We keep telling people, "This is something that you can enjoy. This is something that switches the light on for us."

Around that, we package up the routine. The routine focuses on just turning up every day, focusing for a little while and learning to focus on a bigger task so that eventually you may get a job. That job may then lead you to expand from being a worker there to going into the same business. That is what we are into. We are into making sure they are aware. I heard some discussion earlier about incubators. We have found that it has evolved to be a great incubator. In the maritime industry we have trained over 39 captains there. I am one of those captains. But everyone can work for themselves. Some of them have looked at tourism businesses outside of here. We have got people in the Navy who are naval clearance divers. We have got people who are working as crew on ships all around the world.

It is also about what they do to give back to each other and their community and instil this excellence—move the mediocre benchmark and aim for the stars, focus on the process of turning up every day and riding out that rollercoaster of life. We are completely blunt and honest about it and we have the opportunity to be able to shape it our way. The idea of it is to make sure that there is a generation after us who will speak the language of business that we are learning, everything from marketing to sales to—who knows?—medicine. We are on that pathway. We are seeing a lot of these things happening now.

The gap that I see right now is making sure that we teach these kids about some of the business practices around it. Because in commerce we want them to think about business: "After you learn the tools of the trade and you learn all the hard ways, eventually, do not think you cannot start a business." There are a lot of great aspiring entrepreneurs in the community. It is now just a matter of connecting them up, teaching them a business and mentoring them in business. It is almost a niche product in that you have someone establishing something that helps people really get to the nitty-gritty stuff—everything from learning about how your taxes are run, human resources [HR] and your systems. There are a lot of great start-up community organisations who start businesses, but these businesses rely on individuals and not these systems.

There is this turn that is happening here—and I cannot talk for everywhere but I can talk about Redfern right now. As we are getting and packaging this up, as we are learning more about it, we know that the consolidation and the way we move forward and evolve is only going to be good for us. It is about creating other ways that we bring together this social enterprise which is a charity that helps kids empower their lives, but we have a maritime arm and a tourism arm which are commercial. If they are at their optimum, they will sustain the charity so that it keeps turning over more people. But at the same time they are commercially viable and independent as well.

I know this is more about economic development and how we engage in it, but I want to give you a bit of a picture of some of us and how we got ourselves shackled up in it. With all the resentment, we found different ways of dealing with it. The more people appreciate themselves and who they are and the more they know about their people, the more open they are to everyone else. We learnt that ourselves that way. So as that happens we are going to see more kids in our community—and we are seeing it right now—expand out into business.

I remember for a long time on the Block it used to be that we were across the road from the world. There were kids who had great confidence on the Block and as soon as they stepped onto the station side of the road they completely went into themselves and did not see their value. Our job is to build the value, let them see the lens and make sure that the lens is now out there—that the Government actually shows that lens as well, that it is used in language and in promotion, that it is used in a lot of the promotions or whatever the Government is putting out there. It is really important now. It is great to tell what the problem is, but it is better to tell what the solution is and focus on the solution. If we do not know the solution, let's speak to the solution. That is all we have to do, and that is all we are doing. We did not have all the answers but we knew that the solution had to come from within our community.

**CHAIR:** That is a very important point.

**Mr PHILLIPS:** It was crucial.

**CHAIR:** How many people are involved on the foundation?

**Mr PHILLIPS:** On the Tribal Warrior Association there are eight permanent staff. We have crew that come in and out. We also have some mentors. We run a mentor program with the Redfern police which has been the game changer for our whole community. What we saw was kids who were from fairly unfortunate backgrounds—not all of them. There was a real welfare hold on us and the way we thought before. We used to have kids who were doing really well not getting the same treatment. Kids that were doing really bad would be encouraged for the wrong reasons.

What we did was we brought them all together, gave them the same benchmark, made them all the same value and said, "This is the game you are playing in. Everyone has to work into this game. It is going to help us as a people." They saw the big picture, which is something that we never saw. We said, "We show you where you fit into the big picture." As that happens, everyone gets rewarded on their hard work. Every kid has a simple benchmark. The boundaries are really simple. We have created one lot of boundaries for everyone and we enforce the boundaries fairly rigidly. They know that it is theirs and they know that what we are trying to do is build and empower ourselves to make this change.

**CHAIR:** Do you have a school building? What sort of facilities do you have?

**Mr PHILLIPS:** The program is really simple. We started just as a maritime training group. We teamed up with Redfern police back in 2009 specifically to get kids who were committing robberies. The turnaround happened quickly and I can give you a quick snapshot of it. A bunch of kids were committing robberies—and we are talking 15. The recidivism rates were out of control in Redfern and these kids were weekly offenders. So we said to the police, "We want to do something." The commander there was Luke Freudenstein. We said, "Why don't we do something simple? Why don't we teach them about industry? Why don't we teach them about where they fit and strength"?

**The Hon. RICK COLLESS:** What age groups were you working with?

**Mr PHILLIPS:** At the beginning it was actually 12 to 19, initially. He said, "I've got these 15 boys who are committing robberies here all the time." We said, "Let us pick the 10 that we know are most influential.

We will work with them. We will start them with exercises, do boxing, and two mentors will push them to school and to work. If they don't go to either, then they have to do something that gives back to the community. So there is still value in it." What was amazing is that we were outside and we said, "You pick some of the tough police officers, ones that these guys don't get on with."

We were outside. It was June, freezing cold at 5.30 in the morning. They saw a police officer go in—and this was one of the game-changers for me—and they said, "I hate so and so", as he walked inside. I said, "We're going in. We have to go in there; we have to do this." We agreed. We spoke to their families. "We're going to pull together and do this program." So we get in there. Both of us were apprehensive and we had a perception of each other and as we got inside and we did these nine three-minute rounds where one was on pads and one was on gloves, we dropped our guard. As we all finished that session, for the first time we actually saw each other. That went on for weeks, months, and after the first six months the robbery rates in Redfern went down 82 per cent. They are continually down now, over 60 per cent right now.

Those same 10 boys are now young men. Some are mentors. They are no longer in the system. Some are becoming tradesmen. It is the time. We created it ourselves but we have to sustain that. When I first heard of this I was thinking: "What are we really going to get out of it? Is it going to be a talkfest? Are we going to just tell our story and we don't actually connect up?" But I think every opportunity to have a practical solution or an engagement point is where we have to keep pushing until it does happen.

That sense of belief in themselves is rolling fast. I need to keep the momentum but I need that to happen with an engagement level, whether it is through procurement, through contracts or other types of business opportunities. We need to sustain what we have got there first but we also need to help them build their businesses as we grow. It has been an amazing turnaround for us as a community. We have seen an openness that we have been waiting for for a long time. I thought I wouldn't see it in my lifetime but it is about now capitalising on some opportunities that could require us, once we gain this traction, dealing with several generations to have that.

**The Hon. SHAYNE MALLARD:** I congratulate you on what you do. You may not remember but when I was a councillor I went out on your boat with Malcolm Turnbull and Lucy Turnbull?

**Mr PHILLIPS:** That's right, yes.

**The Hon. SHAYNE MALLARD:** We did some engagement with the city council. You are legendary for what you are doing. What I like most about what you do is that it is spontaneous from the community. The Government did not impose the solution. It never works when government imposes solutions. This was generated from within the community. I see your boat moored down in Blackwattle Bay. My partner has a catering company that does a lot of catering on boats so I often see your boat moored down there. Entertainment on the harbour is a big industry. Are you leveraging into those cruise ships, the Captain Cook boats and so on, on the harbour with your young graduates?

**Mr PHILLIPS:** We are. What has been amazing, as this has evolved you will find that we have been recognised internationally for our product and Australian tourism sees us as one of the champions of their products. We are the only ones on Sydney Harbour doing it. The other part is connecting into the systems. I was trying to juggle a charity and two commercial businesses and then I realised it is impossible. I kept dropping one, neglecting one, and then I found out, because I got sick, that it happened this way. So I thought: My background is maritime. I will put my energy into maritime.

Prime Minister and Cabinet funded for the first time our mentor program, which funds the mentors to get out and keep this program moving with Police, Corrections and Juvenile Justice. I was spending my time consolidating the tourism business, which is what I want to do right now. We now need to consolidate. It is about doing business properly, finding the right talent that can help us. We run the business but someone else can come in who can manage this properly. Leveraging the right opportunity is what we want to do. One of the things we have put our hands up to do is to try to see if we can get access and establish the first Indigenous-owned marina in Blackwattle Bay.

**CHAIR:** This is the time to make your bid.

**Mr PHILLIPS:** What we were hoping to do is to do specifically that. We would be the only Indigenous-owned marina in the whole country. We have been around for 18 years, we have busted our guts, we

see the opportunities there and it is a potential passive income. A lot of our young guys and girls came through the system but they are working on those marinas all around the place and the expertise is there. It is now a matter of being able to control a good opportunity and potentially it puts us in a strong commercial position. People will start to listen to you when you create good testimony and business. That is what we are looking to do.

**CHAIR:** I invite you to give us a page or two on that. We might be able to put it in our report and stir up a bit more help for you.

**Mr PHILLIPS:** We would absolutely appreciate it because we are serious about what we do and we want to prove ourselves. We always said it; we said, "One day we want people to see us not as a good Aboriginal business. We want them to see us as a good business." That is how we want to be perceived because we are really serious about our product, what we do and how we all represent it, in and out of work hours. So many things are happening in and around Redfern right now to the building capacity. They work everything, from even our young men in our football teams. We make them get involved in signing the domestic violence pledges. We make them get involved in helping other people in giving back to the kids. It is about building all the different points and this helps us sustain that.

We need the resources to sustain it. I can tell you now: it is very tiring going cap in hand; it really wears you down and it is tough. But the humility builds you and it is just what we had to do to get to where we are. I am grateful for the opportunity to come here and share it. I would be absolutely over the moon if a practical point of connection came about because of it. We want to help ourselves. It is crucial to us and we can all be part of that. That is all I can really say. Thank you, gentlemen.

**The Hon. SHAYNE MALLARD:** That is fantastic.

**The Hon. MICK VEITCH:** Well done.

**CHAIR:** We will let you go now. Well done and congratulations. Thank you for your time.

**Mr PHILLIPS:** Thank you very much. Cheers.

**(The witness withdrew)**



**JANET HUNT**, Associate Professor, Centre for Aboriginal Economic Research, Australian National University, sworn and examined:

**CHAIR:** Would you like to make an opening statement or a few comments before we proceed?

**Dr HUNT:** Thank you very much for the opportunity to meet with you today. I am really pleased about your interest in this important issue. I would like to acknowledge the traditional owners of the country we are on, the Gadigal people of the Eora nation and explain that I am from the centre, which is a small multi-disciplinary centre. We are all independent academics. My background is in development studies and I bring that perspective into a multidisciplinary team. There are a few points I would like to make because I put my submission together very hurriedly late last year. On rereading it I realised there were some other points I should have made and there are other points I would like to develop further.

By way of background, and I think you are aware of this but it is important to emphasise, we are talking about a very young and rapidly growing population with poorer health, poorer levels of education, higher levels of disability and trauma, mental health issues, and much higher rates of incarceration than the non-Indigenous population. We must always remember how those things impact on opportunities for economic development. They need to be addressed alongside any strategy or as a part of any strategy for economic development. I made the point in my submission that Aboriginal development has to be holistic, and that implies for me that there has to be a multifaceted whole-of-government strategy developed for economic development of the Aboriginal community. I think in the past State and Federal governments have tended to focus on service delivery, and it is important, but they have not focused as much on the economic development. They have focused on the symptoms rather than some of the underlying issues being addressed.

The second point is that in discussing land rights in my submission I did not refer specifically to native title rights, and these have led to some economic development outcomes in a number of locations in this State and of course across the country, mainly through Indigenous land use agreements. In New South Wales there will be more potential in the future for those to generate economic development. In the paper I attached relating to the Crown Lands Review, I indicated how native title groups and land councils could have a stronger role in the management of land which is currently Crown land. Of course, native title rights can open up a whole range of economic development opportunities, not just land-related ones.

My research, as you would have gathered from my submission, focuses largely on governance and community development and community-based social enterprises, like Tribal Warrior, who you just heard evidence from, not so much private businesses. From 2009 to 2013, I undertook some research for the Office of Environment and Heritage on the socio-economic and other benefits of Aboriginal engagement in natural resource management work. I will table, if I am able to, a couple of papers from that research because that is also quite relevant to this inquiry. There are a couple of case studies here. One is by the Banbai people in Guyra, Banbai Business Enterprises, and also from the Nyambaga Green Team near Macksville, and they illustrate the economic development, employment and other training benefits that came out of and continue to come out of the work that they have done, having attained land, particularly the Guyra one. The second one is some work I did with the Eden Council on the far South Coast. It illustrates some of the challenges of Aboriginal organisations trying to generate economic development, particularly the lack of financial and human capital and the vagaries of short-term funding arrangements. That group is still continuing to work on developing the Bundian Way as an iconic walking track. You may have heard about that.

**The Hon. MICK VEITCH:** It is beautiful.

**Dr HUNT:** It is a great initiative.

**CHAIR:** Before you go on, those copies are for us?

**Dr HUNT:** Yes, they are for you.

**CHAIR:** They are public documents?

**Dr HUNT:** They are public documents. They are available on the Centre for Aboriginal Economic Research website. I have made the next point in my submission but I want to update you and bring some recommendations. On the far South Coast—and that is where I have a lot of connections, both family and

work—the marine industries have historically been very important to Aboriginal people. There is a strong and growing movement there for Aboriginal people to regain a central role in marine management and fisheries. From about the 1970s and 1980s, they have been gradually excluded by a whole range of policies. At this moment they are seeking immediate implementation of section 21 AA of the Fisheries Management Act, which this Parliament passed in 2009, but has not been implemented, to allow cultural fishing. They are also looking for opportunities to gain licences in fisheries such as lobster, abalone and potentially others. They will need capital as well to purchase shares in those industries otherwise the licences are of no use. Overall, they want to develop a plan to restore their place in marine resource management on the South Coast. I do not know if you are going to the South Coast, but I would encourage you to do so.

**CHAIR:** We are.

**The Hon. PAUL GREEN:** Absolutely.

**Dr HUNT:** Great. There is a real opportunity for economic development in the marine industries down there, but there are a lot of barriers in the way at the moment. It would be interesting for you to explore those and how some of those could be removed. One of the things I see is that people have a vision, an initiative to build on their skills, knowledge and experience. They are supremely knowledgeable about the marine environment and they have fisheries experience. It is rather like what Shane Phillips was just talking about. Their expertise started with the boat, with training in crewing and captaincy and so on. It is building on those skills and experience. That is where we will generate economic development.

My view is that the successful approaches to economic development build on those assets, which can be land but they can be other things as well, and really build on people's strengths. There are, as you have just seen, enormous strengths out there, which are under-recognised, on the whole. In my submission, I have explained the nation-building approach that is being used successfully in the United States, which sort of applies here as well. We do not really work on a nation base in the same way as the US but some of the principles of that approach still apply here. I think we need place-based strategies, contextually specific at local and regional levels with governments and private sectors working in close partnership with Aboriginal people, people like Shane who have the leadership, who can see the vision and can bring people along with them. It is really important that government appreciates some of the barriers, including those it puts in the way, and one of those is the glacial pace at which the land rights system is operating. I must say I thought the chair of the land council is being very generous in this. As an observer, I would say that needs a good shove along. Land, as we have seen, and my research has shown, really can be the basis for economic development. While ever those land claims are sitting there backlogged, those are opportunities lost. I will stop there.

**CHAIR:** The first document you have tabled is entitled "Looking After Country New South Wales: Two Case Studies of Socioeconomic Benefits for Aboriginal People". Could you briefly describe the two case studies?

**Dr HUNT:** The first case study is Banbai Business Enterprises at Guyra. They have achieved a remarkable turnaround in the community in Guyra. It is a small Aboriginal community, but they were able to purchase land with Indigenous Land Corporation [ILC] funds. They developed an Indigenous Protected Area [IPA], so they got funding from the Federal Government under the IPA program. They have generated an enormous amount of training and employment for young and old in their community, based on that land management work. The Guyra Local Aboriginal Land Council had some land which it was in a bit of trouble over because it was not adequately maintaining it through fire management and weed control. The land council contracted Banbai Business Enterprises to manage that land as well. That land has now become an IPA too. Banbai is managing that IPA for the Guyra Local Aboriginal Land Council, which still owns the land.

They have really turned that community around, which is having an effect on the non-Indigenous community as well. This is a very interesting phenomenon. They had a policy that the income that they received from Commonwealth grants and other sources would be spent in Guyra, as much as possible. They now hold one of the largest bank accounts in Guyra. They were invited to speak to the business community in Guyra. Suddenly the non-Indigenous community in Guyra realised that something really important was happening and they wanted to know what was going on. It has changed the attitudes of the rest of the community in Guyra towards the Aboriginal community. They saw the Aboriginal community working hard and having beneficial effects on the land and the people.

**CHAIR:** The Committee is going to Guyra.

**Dr HUNT:** You are going to meet them?

**CHAIR:** Yes.

**Dr HUNT:** Excellent. That is really good. The other case study is on the Nyambaga Green Team. That is an interesting story. It was Aboriginal environmental contracting business that was part of a social enterprise organisation. It was running very well. It had a non-Indigenous manager who had had a long career in that area of work and was able to win a lot of contracts from National Parks, the local shire, the catchment management authority and so on. He was able to more or less keep a flow of contracts operating that kept the team in employment. I do not think it was easy, but he was able to do it.

The Commonwealth became excited about what was happening on the North Coast and about the number of green teams that were starting up there and operating, many with support from the Community Development Employment Program [CDEP]. The Commonwealth thought that perhaps it could build this up into a bigger enterprise by almost federating some of the small teams and bringing them together to work on larger contracts, including landscaping around the Pacific Highway development. It was an interesting idea.

The green team manager was recruited to be the manager of this new project under the Commonwealth's Indigenous Coordination Centre. Unfortunately, that project did not really succeed. I do not fully understand all the reasons that it did not succeed. That is another story. But it had an impact on the Nyambaga Green Team because they lost their coordinator. A number of other things happened at the same time. National Parks reduced its funding. Procurement arrangements for some of the jobs that previously had been done by the shire became State-level procurement and firms from Sydney came in. In essence, the green team shrank. It is now very small. There are two full-time people and two or three others who do some work if there are enough jobs for them to do. That is not such a positive story, but it highlights how small changes can undermine these things. They are sometimes quite fragile, and shifts in policy, funding and procurement can undermine them.

The third case study was on the Eden Land Council. They had been trying for some time to get funding for land management. They wanted to develop a ranger group. They had had a ranger group that was funded by CDEP. The ending of CDEP in most of New South Wales has had an impact on all the green teams.

**CHAIR:** Would you put on record what CDEP stands for?

**Dr HUNT:** Community Development Employment Program.

**The Hon. PAUL GREEN:** Not the Christian Democratic Party. There is no end to that.

**Dr HUNT:** I am trying to remember in which year it ended. It was around 2009 in New South Wales. That program provided a subsidy to a lot of small projects. One of my colleagues, Kirrily Jordan, who I think sent a submission to the Committee, looked at the impact of the closure of that program on Wallaga Lake. It is one of a number of case studies that she has undertaken to understand the impact of that loss. It has had a negative effect in many places. The assumption was that removing that program would lead people to go out and get jobs in the mainstream. The reality is that that has not happened universally. Some may have done that but many people have moved from Community Development Employment Program work back into welfare. That has been a negative story.

I return to the third case study. Eden Land Council was encouraged to formulate a land and sea plan for funding reasons. Funders did not want to fund the council without a strategic plan. The main achievement from that was the work on the Bundian Way. It was just one component. The council investigated other things but they have not borne much fruit, at least at this time. The Bundian Way has really taken off. The council is getting some support, with heritage funding and that sort of thing, but it has to cobble together bits of money. It has been greatly assisted by Regional Development Australia funding and improvements to the road turn-off into the property, which will enable it to use that for more commercial purposes, for education and cultural tourism and that sort of thing.

**CHAIR:** As we are talking about the South Coast, I know Mr Green wants to ask a few questions.

**The Hon. PAUL GREEN:** I do. I want to talk about the clean, green, pristine South Coast.

**Dr HUNT:** It is.

**The Hon. PAUL GREEN:** I would like to know about the Crown lands review backlog. Obviously that has immense economic potential for Indigenous communities. The Chair of the NSW Aboriginal Land Council, Mr Roy Ah-See, commented this morning that they have a lot of land but it is virtually sterilised because it has been given a zone. Would you be of the view that, if we are meant to be returning land, it should be unhindered; it should be up to them to choose what they do with that land?

**Dr HUNT:** I think it is a good principle that Aboriginal people should have greater decision-making control. I have one word of caution, and that is that Aboriginal land has to fit within a wider planning framework. If there are serious impediments to them being able to develop the land in the way they wish then some dialogue should be entered into. You cannot have one set of planning arrangements going on over here and another set over here. We need to have a holistic planning framework but the planning framework does not adequately engage with issues to do with land rights and issues to do with native title. There is a disconnect that needs to be addressed.

I have heard—I have not investigated this—that there are constraints on some land councils due to the fact that the land that they hold is, perhaps, some of the only remaining environmentally zoned land in the region, particularly in urban areas. But I think we have to be careful that we do not have a knee-jerk response and say, "No, no, we'll have to end that zoning." There are reasons for the zoning, as well. We need to enter into some negotiations, not just respond—

**The Hon. PAUL GREEN:** It is sterilised, as you said. Virtually, what is being said is, "You can have this land because we've worked out that we don't want to use it for anything."

**The Hon. SHAYNE MALLARD:** That is why it is left behind.

**Dr HUNT:** Yes, it is often left behind.

**The Hon. PAUL GREEN:** "Here's our good will. You can have this environmentally layered thing that is so sterilised that you cannot do any building. There will be no economic growth on that." That is really not a fair transition, I would guess. You are right, there needs to be more dialogue, obviously. That is probably what is holding a lot of it up. Can I take you back to the marine management issue? You said, I think, that section 21 AA of the Fisheries Management Act talks about cultural fishing. You said that it has not been implemented yet.

**The Hon. MICK VEITCH:** No; we put it up in 2009, and it has not been—

**Dr HUNT:** It has not been enacted. There are some regulations, apparently—that the fisheries section of the Department of Primary Industries wishes to develop, I presume—which have not been developed. So there has been a very long delay—a shocking delay—on this.

**The Hon. PAUL GREEN:** It has taken too long, hasn't it?

**Dr HUNT:** Absolutely it has taken too long.

**The Hon. PAUL GREEN:** You noted that this is what these people did. That is what they do; they know it like the back of their hands. We are saying to them that they cannot do it because we are dragging the chain in terms of legislation.

**Dr HUNT:** That is right.

**The Hon. PAUL GREEN:** It is an interesting point. We are here to drive economic opportunities for the Indigenous community.

**Dr HUNT:** Exactly.

**The Hon. PAUL GREEN:** You talked about the barriers to the marine issues. Do you want to highlight that very quickly?

**Dr HUNT:** Yes. I have not done detailed research on this so I can just point it out to you and maybe you can explore.

**The Hon. PAUL GREEN:** We can do that while we are down there.

**Dr HUNT:** Some of the issues are to do with the restructuring of the fishing industry, which has made it very difficult for the smaller fishers. Aboriginal fishers generally are the smaller, family fishers.

**The Hon. MICK VEITCH:** If I can just clarify: you are talking about commercial fishers?

**Dr HUNT:** Yes, commercial fishers. Aboriginal people have been very active in the commercial fishing industry, basically since colonisation. They were involved in the whaling industry. They were employed on equal wages in the whaling industry a long way back.

**The Hon. PAUL GREEN:** Is that a plug for the Eden Killer Whaling Museum that we should visit?

**Dr HUNT:** Yes. No, it is a plug to go to the Jigamy Farm of the Eden Land Council.

**The Hon. PAUL GREEN:** Are you aware of any TAFE education courses on marine matters for these Indigenous youth that may want to follow in the footsteps of their forefathers into marine areas.

**Dr HUNT:** There may be; I do not know. There are a couple of Aboriginal fishers on the South Coast south of Batemans Bay at the moment. The conditions of their licences mean that it is very difficult for them to pass on their knowledge and skills to the next generation. I do not know all the details but they tell me that it is virtually impossible for them to take the family out on the commercial fishing boats. I can imagine what some of the regulations might be. They can pass on the skills and knowledge but they are not able to because of the regulations. When they are ready to retire—both of them must be close to that now—they are not going to be able to just pass on their licences to the next generation. I am not sure what will happen to their licences.

**The Hon. RICK COLLESS:** These people are not using traditional fishing methods. Is that correct?

**Dr HUNT:** They are commercial fishers.

**The Hon. RICK COLLESS:** They are operating like any other commercial fishing operation.

**Dr HUNT:** They have small fishing boats. They would like to be trawling, as well.

**The Hon. RICK COLLESS:** They are not using traditional methods.

**Dr HUNT:** What is traditional? This is what they have done since colonisation, basically.

**The Hon. RICK COLLESS:** I was interested by your comments in relation to the fishing industry down there. Within the marine park areas, do you believe that the Aboriginal people should be allowed to continue their cultural and traditional fishing methods?

**Dr HUNT:** I think that that is, again, a matter for negotiation. Under the Convention on Biological Diversity, to which Australia is a signatory, they do have rights to practise their culture.

**The Hon. RICK COLLESS:** Are those rights being denied now?

**Dr HUNT:** Yes; essentially because of the marine park zoning arrangements. When you think about this historically you can see that it is a huge injustice. They maintained a sustainable way of fishing until colonisation. It has only been in much more recent years that the fishery and the marine environment have been depleted and the arguments for having marine parks and sanctuary zones have come about. That has not come about because of Aboriginal fishers but they have now been penalised quite severely. Opportunities to maintain and transmit their cultures to future generations, as well as economic opportunities, have been lost.

They are very concerned about their young people and about the future generation. It is very difficult for young people down the South Coast to get jobs. There are not many jobs for Aboriginal people. This is an area where they have skills. They have a comparative advantage in that area.

**The Hon. RICK COLLESS:** Continuing along that line of thought in relation to terrestrial parks—national parks—do you think that the Aboriginal peoples should have a bigger say in the role of managing those park areas, particularly the policy settings and those sorts of things?

**Dr HUNT:** I think it would be tremendous. Obviously, there is some joint management already.

**The Hon. RICK COLLESS:** I just wonder in those situations how much say they actually have. I guess the question is, at the end of the day: who has the power of veto? If the national parks bureaucracy has the power of veto over what the Aboriginal people would like to do then they do not have any power at all, essentially.

**Dr HUNT:** In the end, the Minister is responsible. That is absolutely right. I do not know because I do not think any evaluation has been done on how well those jointly managed parks are operating, from both perspectives—from the perspectives of the national parks bureaucracy and from the perspective of the Aboriginal traditional owners. It would be valuable to have a look at that.

Booderee National Park is an interesting case. It is not a New South Wales national park. It is a Commonwealth national park, and it has been under joint management for a number of years now. They are moving to sole management. That will be interesting to watch. They are definitely on a trajectory towards Aboriginal management of that park. That is a very high-use park. It has many hundreds of visitors every year.

**The Hon. RICK COLLESS:** It is interesting you make that comment. I live very close to the Booderee National Park. If they are moving towards traditional management then we would expect to see traditional land management techniques in operation there more often than we probably do. If that was to occur do you see that the traditional owners would be able to go back in and commence the management practices that they applied prior to 1770? That would, arguably, see a big turnaround in the viability of the way some of those parks areas are managed.

**Dr HUNT:** We are not in 1788 now, and the use of that park is very different from what it was. An example is that they have been trying to do traditional burning. That is very beneficial for the land, so that is good. But they also have to deal with, I think, something like 600,000 visitors a year, which they were not doing in 1788. So clearly there are management tasks that they need to do in a contemporary setting, which are very different. So they have to use a mix of their traditional knowledge and the traditional ways of doing things, and also things that deal with contemporary issues and contemporary environmental problems.

**The Hon. RICK COLLESS:** I guess the argument would be then that if they were to undertake that sort of management it provides the Aboriginal people themselves with a huge cultural training facility to allow them to teach their younger generations the ways that they are slowly but surely losing. Obviously then of course they would open up those areas much more to tourism because of the traditional method of managing them.

**Dr HUNT:** I would not want to comment on whether it could be open to more tourism.

**The Hon. RICK COLLESS:** Well, maybe a different type of tourism?

**Dr HUNT:** Yes, maybe a different type of tourism. I think the traditional methods are valuable and important but we must not get hooked on Aboriginal people only operating in a traditional way. I think Aboriginal people are already running many aspects of that park. Much of the work of the park is contracted out to the Wreck Bay Aboriginal Community Council and its business arm. So they are managing all of the facilities, they are doing all the cleaning and they are running the entrance gate. It is not just the environmental work that they are doing; they are doing a whole raft of jobs around the visitors' centre and so on. So all the things that are involved in managing a big park, Aboriginal people are doing pretty much, including a little of the scientific work. Obviously there will need to continue to be non-Indigenous people doing some of the scientific work with them. But they will be in due course the full managers of that park.

**The Hon. SHAYNE MALLARD:** With respect to my colleague, I am not sure about a notion that they are constrained to managing that park in a traditional way. If they have true determination of the future of that park, they should master plan it through a consultation process. They could say, "Well, we are going to have a holiday lodge here in this appropriate area and a convention centre over here, or whatever it is, to develop real jobs—

**The Hon. RICK COLLESS:** To get some economic benefit out of it.

**The Hon. SHAYNE MALLARD:** Yes, that is right—and not just in some sort of tokenistic way. I would like to compliment you on your submission. It is really comprehensive so thank you for that. Capacity building has come up a lot today, and you highlighted that in your submission with that great graphic on page 4, which I commend to everyone. You talked about Gandangara Local Aboriginal Land Council at Liverpool. It has just come out of administration.

Earlier my colleague Hon. Paul Green was talking about the right to determine the zoning of land and so forth. That land council has had trouble with its Heathcote Ridge land development and the type of people attracted to it because of that. I think it is a good example of where governance fell over. So what is your recommendation to build that governance? We heard today it is one of the reasons that land claims have a bit of a backlog, because they are looking at holistic governance issues now too. So what is your suggestion about how to strengthen governance? I have an idea that having company director's courses or business courses specifically for Indigenous leaders could be useful.

**Dr HUNT:** It is quite a complex issue. Obviously the New South Wales Aboriginal Land Council already provides training for all its council members. I have seen some of that training and it relates to the Land Rights Act and what their responsibilities and their duties are under the Act. It does cover a lot of those sorts of issues of fiduciary duty and all of that. In some research that I did with a number of colleagues from the Centre for Aboriginal Economic Policy Research [CAEPR] between late 2004 and the end of 2008 we looked at 11 different locations around Australia—only one in New South Wales, I regret to say. What became very clear was that many of the governance problems that might surface as something to do with corporate governance were actually to do with some of the community dynamics and the community relationships.

So whilst I think doing a company director's course is valuable, there is no doubt about that, it is not the total solution because often what is beneath some of these conflicts is quite long historical conflicts or relationships between families or between groups within a particular location; and the reasons for that may lie well back in the past. Sometimes there has to be a certain amount of serious conflict resolution, mediation and healing. Some of this also results from trauma basically. So community healing is needed. So sometimes it is a bit more than just having a good corporate director's course that people have undertaken.

In some places people have chosen to have an independent adviser on their board who can help them, say, with financial or legal matters and things like that. That can be helpful but I do not think it should be imposed; I think it should be at people's request when they have understood their responsibilities and they realise that that actually do not have the skills to do it and they need some independent advice. I think having independent advice available, either as a board member or available to the board to be able to draw on, is very helpful. Because, just as in the non-Indigenous community, people end up on the boards of community organisations when they do not necessarily have the expertise. For example, they cannot read a balance sheet or they cannot read an income and expenditure statement. It is easy then for them to go astray and for the organisation to get itself into trouble. But if they have some independent advice, as long as it is sound and ethical advice, that can help them.

**The Hon. SHAYNE MALLARD:** I have a quick supplementary question about the overarching governance. I am worried about exploitation, and at the same time I am conscious that we do not want to go anywhere near a path of paternalism. Are the existing structures that apply to everybody around governance, corporations law and so forth protecting the rights of Indigenous communities when they are involved in these partnership business ventures with developers and others?

**Dr HUNT:** It is not something I have looked into in enough detail to be able to discuss. I think the Committee would need to speak to some lawyers about that. I do not know enough of the detail to know exactly what went wrong at Gandangara Local Aboriginal Land Council. I have not worked with them.

**The Hon. SHAYNE MALLARD:** It is not unique though.

**Dr HUNT:** No, it is not unique at all. I think it is often that board members just do not have sufficient expertise to be able to assess when reports they are getting are inadequate or to know that there is something wrong—and to pick it up quickly enough.

**The Hon. SHAYNE MALLARD:** And that is not unique to the Indigenous community at all; local government has that too.

**Dr HUNT:** Exactly.

**CHAIR:** Just on that same theme, and you might have picked it up, although not in those studies, anecdotally one of the issues that are repeatedly raised with me is conflict of interest. A lot of the land councils, in particular in New South Wales, actually own homes and have as their tenants some of their directors. Did you see that issue and do you have any ideas about how that might be looked at?

**Dr HUNT:** That is a very common issue right around Australia. It is a difficult one to address because obviously those people are as entitled to homes as anyone else. I remember Yarrabah up in Queensland tried to address this by having some really clear policies about criteria for getting a home, and then they really tried to make sure that people declared conflicts of interest when a matter was being decided that affected them or a family member. And then decisions were made based on those criteria, and I guess everyone held everyone else to account for those criteria. That has to be worked through with everybody. You cannot just issue a policy statement and say it should be adopted. People have to understand that, and culturally that is a little bit challenging sometimes because your obligation as a family member is to look after your family. So there is a bit of a mismatch between those cultural obligations and the kind of Western ideas of impartiality and so on.

What we found when working particularly further north was you had to work through all those issues in some depth with people, about where there was this clash—that is not the only one, but that is a good example—between the cultural expectations and obligations and the Western expectations and how to address those, marry those together, and find a way through them. In many cases people we saw were very creative about how they dealt with that. The housing one did not come up in too many of the case studies we had but I know it is an issue. I talked to some people at Yarrabah about how they managed that because they seem to have done something quite successful.

**The Hon. MICK VEITCH:** In your submission you talk about the role of the Regional Development Australia [RDA] boards and that it appears to date they have not really engaged with the local Indigenous communities. Is there something this Committee can do to strengthen those ties?

**Dr HUNT:** I would hope so. If their mandate is regional development and the people with the greatest need for development in pretty much all the regions are the Aboriginal people then there should be a natural fit. But in looking at academic literature on regional development, there is a whole literature on regional development that has very little to say about Aboriginal development and then there is Aboriginal development. They do not come together. It is an important message that these things have to come together much more. It is pretty tough for Aboriginal people to do it on their own. People like Shane Phillips are pretty unique, pretty special. People have ideas and initiative and they have great ideas about what they would like to do but often on their own they cannot do it.

**The Hon. MICK VEITCH:** Shane Phillips is a good example of a leader and mentor. How can we support these leaders and mentors in their roles in Indigenous communities? Are you aware of good programs that identify leaders and mentors that we can look at? Are there good programs on how to support these leaders and mentors? You can take this question on notice, if you wish.

**Dr HUNT:** Yes, I will. There is the Australian Indigenous Mentoring Experience, which is particularly helping young kids through school and university. I am not sure that I am aware of any programs in the broader community. I think there could be a lot more support for Aboriginal leaders themselves to help them support each other and explore what has worked for them. There is not a great deal of support for that sort of networking and peer learning. Peer learning is very valuable. I did a paper on capacity development some years ago for Centre for Aboriginal Economic Policy Research [CAEPR] and looked at all the research on capacity development internationally.



We tend to focus on individuals in capacity development and the research shows we have to come right back and look at organisational capacity development, development of institutions, the policies, the procedures and all the work that goes into maintaining a successful organisation. We also need to look at what in capacity development literature is called the enabling environment—that is, all the laws, the policies and so on within which people are trying to achieve the goals they are after. The enabling environment is actually one of the greatest brakes on capacity—it is a disabling environment. I would urge you when you look at capacity development to look at all those things that help mentor individuals but look as well at the things that might support organisational development and things that provide an environment that is less constraining and more enabling—some of the positives. It is a nested range of things that will affect the capacity on the ground. That includes racism in the non-Indigenous community. We need to name it; it is a problem for Indigenous groups.

**CHAIR:** Thank you for your valuable contribution. You have 21 days in which to answer questions taken on notice and the secretariat staff can help you with any queries you have. I thought we would let you go without any homework but Mr Veitch asked you to take some questions on notice.

**The Hon. SHAYNE MALLARD:** Can you comment on engagement of Aboriginal women in economic development? Land, men—

**Dr HUNT:** Not automatically, as you will see.

**The Hon. SHAYNE MALLARD:** Should we look at engaging more women in the process of economic development for Indigenous communities?

**Dr HUNT:** Women are already very important in economic development. There is a paper by Geoff Buchanan, an Australian Institute of Aboriginal and Torres Strait Islander Studies [AIATSIS] paper on gender and native title. I will get you the details. He shows that women are playing quite a significant role in native title corporations and in other corporations. There is also some work by the Office of the Registrar of Indigenous Corporations [ORIC] that looks at the role of men and women. Women are playing significant roles. Women are also on the whole doing better in education than Aboriginal men but they are not employed at the same level as men. I suspect that is partly because of their child-rearing responsibilities and other caring responsibilities. With a lot of people with disability, women are caring for family members as well as children. That has some constraints on women's ability to be employed.

There are huge employment opportunities in some of those areas. Do not neglect to look at the employment opportunities in the whole range of social services. There is good Aboriginal employment in health and there are opportunities for more engagement of Aboriginal people in the health workforce. The National Aboriginal Community Controlled Health Organisation [NACCHO] has done some work on that. There is also the aged-care workforce, the childcare workforce, the disability workforce and with the National Disability Insurance Scheme [NDIS] coming through there will be increasing opportunities for both men and women in all of those employment areas. There is social enterprise and there is employment in private and public sector work and non-profit work. There are opportunities for skilling up people so they can take up those opportunities and provide Aboriginal-specific services which will be culturally safe for people.

**CHAIR:** Thank you for that.

**(The witness withdrew)**

**(Luncheon adjournment)**

**DEBBIE BARWICK**, Chairperson, NSW Indigenous Chamber of Commerce, First Australians Chamber of Commerce and Industry, sworn and examined:

**CHAIR:** Would you like to make a short statement and tell us about what you are doing?

**Ms BARWICK:** I will give you a brief rundown. The first Indigenous Chamber of Commerce was established in 2006 in the Hunter region to fulfil a gap and meet the needs of a regional group of Indigenous business operators who were predominantly micro businesses at the time but needing support and wanting to have access to each other. Originally it was established as a networking forum. The reason that we chose to go down the pathway of an Indigenous Chamber of Commerce is that we found from research that none of the Indigenous businesses we had consulted with had actually joined mainstream chambers of commerce, they were not members of industry associations or any of those strategic networks or alliances where they were going to have the opportunity to grow their business.

Being Indigenous myself we spoke about why would they not go and do that. A lot of it was to do with shyness, not used to selling themselves and the whole idea of networking was a little bit daunting. They did not have a good understanding of what those networks did and associated them with big business. They did not understand it was a lot of small business operators that came together in those forums. We discussed the idea at the time of what if we had our own forum, they could come together, talk about different aspects of business, have a guest speaker, you guys can share stories about how you are going with your business, and what has been good or bad. In 2006 they liked that idea and thought it would be a good thing to do. At the time you had to write and get permission to set the chamber up.

I wrote to the Minister at the time and got permission to set that first Indigenous Chamber of Commerce up in Australia and from that time in 2006 we started operating as a network that very quickly grew to understand that there was a much bigger need if we were going to support Indigenous people to thrive in business. Since 2006 the chambers have grown in each State and Territory where we now have State representation in every State and our Indigenous Chambers of Commerce networks nationally represent over 2,500 businesses. There is no Government resourcing that goes into the work of chambers. We have gone from a network to working in the capacity building area. It is a little bit of a cross between a business enterprise centre and chamber of commerce but the people that work within the chambers are all Indigenous business professionals. That is a brief summary of where we came from and where we are at today.

**CHAIR:** You have kindly given us a bundle of documents, just so we can admit them as evidence. Would you mind running through what we have got and the key points?

**Ms BARWICK:** Yes. Because we are not a government-resourced organisation, we are a not for profit, we have formed relationships with the State Government and with the private sector to create more opportunities to support the growth of Indigenous business into supply chains. What you have in front of you is a selection of some of our work over the years. We had a substantial win a couple of years ago in 2014 when we signed a memorandum of understanding with the State Government. It recognised that the chamber was critical to their agenda of Indigenous economic development in Indigenous communities across New South Wales. Under that memorandum of understanding we worked on some of the State Government initiatives that came out of the OCHRE report and things like industry based agreements. That is where you have industries such as the Minerals Council, who we have a memorandum of understanding with. We are trying to work with that industry to create more Indigenous employment and more procurement opportunities. You have a selection of examples of some of the things that we work across.

**CHAIR:** Do not name them but who are your members and how are they establishing themselves and what are the successes they are having and the impediments they are running into?

**Ms BARWICK:** Our membership sits at around 248 at this time in New South Wales. Those businesses range from your mum and dad businesses, micro businesses, all the way through to businesses that are starting to trade nationally and globally. The ones on the bigger end of the scale are in the minority. Most of the businesses are still very small businesses. A lot of our work is in finding ways to assist them achieve their own aspirations. Not everybody wants to grow to a big business, some people are happy to run a hair salon, butcher shop or lawn mowing business, but other members want to trade and do business with the private sector and government in large contracts. The diversity is just as it is in the non-Indigenous business community; it is just that we have less numbers.

Barriers: Look at things like education, numeracy and literacy, no access to assets, difficult to get finance for a lot of our members, and being able to scale up when they do get an opportunity. Then at the moment we see a number of areas of risk with new procurement policies. There are Federal and State Government procurement policies in place. In particular, with the Federal Government policy there is a real rush to provide opportunities for a contract but also for Indigenous businesses to take up those opportunities despite their capacity to deliver. The chamber's work is very much ensuring that our businesses are growing at a pace that is safe and comfortable. Whilst we are working with them to be strong businesses we are also working with governments and the private sector to ensure that the environment is cohesive with that and we are supporting the growth and minimising the risk of them growing too quickly.

**The Hon. MICK VEITCH:** That is a lot of information. When you were talking about the impediments, one of those was financing; can we explore that a bit further? Is it because of lack of collateral or are there other impediments to accessing the finances required?

**Ms BARWICK:** It is a mix. There is not a lot of home ownership in Aboriginal communities. If we look at and accept that we have a lot of barriers with Aboriginal communities getting into employment, we are talking about the same group of people, and we are trying to support them to get into business. The barriers that are out there are around home ownership, not being able to have equity in a home to put up as security, sometimes it is not a long history of employment, sometimes they have had experiences with Corrective Services and sometimes it is the credit checks that bring them unstuck. In order to work with that we build relationships with the likes of Many Rivers Microfinance and we are starting to build relationships with the bigger banks, Westpac and so forth, so they are working with us in building capacity and trying to minimise some of those barriers that knock a business out from having an opportunity. If they have a contract that is a really secure contract and they have the ability to deliver on it we try to get the financial institutions to be a little bit more flexible around the security that they are after.

**The Hon. MICK VEITCH:** How important is identifying suitable mentors within industries or in the business world?

**Ms BARWICK:** The most important. There are two things in the work that we do. Across the sector we see capacity building and investment into that as the number one priority for governments, but certainly our experience is that the mentoring is what means success or failure with the businesses that we work with. We have things that come into our office every day. We might have a business that has been quite successful for six years but then all of a sudden there has been a suicide in the immediate family or there has been an incarceration. Because of the Indigenous business professionals that are within the chamber environment and because of our contacts with community and the Aboriginal medical services and all of the different programs we are able to wrap them in the support that they need to work through that whilst we keep the business moving forward, because the last thing that we need to see happen is those businesses fall over and people lose jobs.

**The Hon. MICK VEITCH:** Are you aware of any examples that the Committee could look at of good mentoring programs for Indigenous business operators?

**Ms BARWICK:** Yes, the Indigenous Chamber of Commerce. A lot of our work is mentoring; that is what we do day in and day out. There are some really great programs in New South Wales. There is a particular program called the Aboriginal Enterprise Development Officer [AEDO] Program. It has the potential of being a really good program but in our view it is not sitting in the right environment for it to be actually utilised the best way it could be utilised. The chamber is not resourced by government, so we try to generate our own income streams to build the capacity needs and to provide that mentoring support day in and day out. We believe that if we had a resource like the AEDO Program at our disposal we would be able to actually put that to much better use and support a much stronger pipeline coming through of Indigenous businesses. It would also solve the issue of getting into regional communities and working with them on economic development and enterprise and so forth.

**The Hon. MICK VEITCH:** How do we go about unlocking entrepreneurship?

**Ms BARWICK:** You need to nurture it. Within the Chamber we are exposed to entrepreneurship every day. The Indigenous business leaders and the board members all run their own businesses. What we do is support their aspirations. We spend time in the very beginning when we come into contact with a new business

or a person who wants to go into business to actually really get to know what is it that they are wanting to achieve and unlocking their own leadership within and enabling that so that they can achieve.

**The Hon. RICK COLLESS:** How do you stimulate that interest in the younger generation and at what ages do the lights come on, so to speak?

**Ms BARWICK:** One of the most amazing outcomes from the work that we are involved in is the role modelling that comes from seeing mum or dad run a successful business and the pride that is instilled within the children to see mum and dad not only going out to work every day but really taking on business and being successful. We have got a couple of programs we would love to deliver within schools. For instance, I worked on a program years ago that was called a practice model. We worked with a couple of local high schools. The kids came in once a week and they undertook a component of a business course. I think it was a Certificate II in Business.

They all took on a role within a business and they set up a mock business and they were trading with another mock business elsewhere. They were doing everything—invoicing, someone was the marketing person, someone was the accounts person and someone was the manager. The idea was to give them a taste of operating a business and the knowledge around what it took. It was about unlocking or unleashing what they were good at and what they liked. If they really liked handling the budget or if they really liked the marketing and the promotion then the idea was that they would stay in school and they would start looking at that when moving on to university and so forth. Doing case studies and bringing people into the schools to talk about business I think is a wonderful opportunity.

**The Hon. SHAYNE MALLARD:** Roughly what percentage of your membership are providing services or products to the Indigenous market and what percentage just happen to be Indigenous but might be a real estate in Glebe, for example? Is the economic development opportunity and growth in Indigenous markets per se or are the opportunities broader for Indigenous communities?

**Ms BARWICK:** We would be looking at around 15 per cent of members that are delivering Indigenous products or services.

**The Hon. SHAYNE MALLARD:** Only 15?

**Ms BARWICK:** Only 15. The rest are in what you would call mainstream business opportunities, absolutely. You do have your arts and crafts. They are actually in the minority, despite what some people believe. Then we have some tourism operators as well, who have some other barriers that we could talk about. But most of our businesses are providing normal, everyday services such as stationery, uniform supply and technical services.

**The Hon. SHAYNE MALLARD:** Are they employing not only Indigenous people but also people from the broader community?

**Ms BARWICK:** Absolutely, but we do find that as an Indigenous business grows and wins a contract it is predominantly more Indigenous employment that they are achieving. However, we look at that when we are working with the business, because another weak spot is ensuring that with that growth they are getting the right people in. We see some of our business owners are really eager to employ a brother or a sister or a mum or uncle but it is about getting the right people into the jobs and ensuring that the skill sets are there. I remember being asked that question 10 years ago. I think there was a thought that it was all arts and crafts at the time but, no, we are doing everything these days.

**The Hon. SHAYNE MALLARD:** Where then is the growth potential to grow the economic opportunities for Indigenous communities in business? Obviously I think the answer is the 85 per cent who are taking up general business opportunities.

**Ms BARWICK:** I think so, but we would like to see more support for some of those tourism operators. Two of our members have had amazing tourism products and have operated quite successfully for a number of years. Then all of a sudden they would find themselves in competition with the likes of National Parks and Wildlife. In tourism they are like the regulator for those businesses. We have had to assist those two businesses with advocacy and trying to get them support to try to work through that. That is because they are pretty much licensed by those types of authorities but at the same time they are then in competition with them. If we are

going to really strengthen economic development we need to value authentic Indigenous products and services. The chamber is very passionate about seeing that happen because the opportunities are enormous around employment and around a better Australia if we can value our Aboriginal culture and really support those strong tourism experiences.

I think in the other businesses it is about ensuring that there are procurement opportunities. A big part of our work is working with government to identify opportunities to buy and bring Indigenous businesses into the supply chain. Through our relationships with the likes of the NSW Minerals Council we can work with the industry to assist them to get past the barriers that are there. They obviously have some concerns about the capacity of Indigenous business. In some cases that is warranted and in some cases it is not and so we work with those industry bodies as well to break down the barriers and expose them to businesses that do have capability so that they can start to bring them into their supply chains and we can start to get that equitable situation. The beauty of that also is a lot of mining companies are in regional areas where there is not a lot of employment for Aboriginal people. That local procurement there creates those local jobs and that is really important as well.

**The Hon. SHAYNE MALLARD:** We heard today about areas of opportunity in child care, health and aged care. Are those areas being picked up by your members?

**Ms BARWICK:** Yes. We have got one member who is doing aged care and one who is doing children support services. The aged care one is Aged Care Angels and Disability Services. They have been developing their business for about four years now and working with the chamber. They have had to go through a whole range of activities in building their capability before they could be recognised as a service provider. I can honestly say those businesses are more than happy to support how essential that mentoring has been through the chamber and being able to get support as they need support. That support should not be for a three-month period, because it sometimes happens with programs that they get a bit of support and then they are on their own. Introducing them to that chamber environment can be a lifelong support mechanism for them.

**The Hon. SHAYNE MALLARD:** Again, they are providing services to Indigenous communities in those instances.

**Ms BARWICK:** Absolutely. We have a number of land councils as well that utilise our services and support. They have got a new economic development strategy and have allocated some funding there, but what you find with a lot of the land councils is that not necessarily skills-based boards are being elected. They are community people trying their best to create commerce and economic opportunity but they have not actually had the business experience. Another area of frustration for us is not being able to get to those communities to work with them on what is involved in setting up an enterprise and then supporting them with mentoring, which is absolutely necessary.

**The Hon. RICK COLLESS:** What proportion of those businesses that have been successfully established—outside Sydney, Newcastle and Wollongong—would be in regional areas compared to the more highly urbanised areas?

**Ms BARWICK:** I would say 60 to 70 per cent. A lot of construction and building businesses.

**The Hon. RICK COLLESS:** I was talking this morning about some young Aboriginal people that I met at Cronulla. I was at Cronulla with the Premier to announce some funding for the Clontarf Foundation. Two of the young men I met, who were both graduates of the Clontarf Foundation, were working for a concreting contractor in southern Sydney. They both came from Coonamble. I asked them what they wanted to do in the future. One of them said he was very keen to go back to Coonamble and start his own concreting business, which was a wonderful thing, and the other one was happy to stay working in Sydney. A great philosophy was coming through those young people with that sort of ambition.

**Ms BARWICK:** And we need to support that because, like I said, the unemployment and the opportunities are very scarce. We have got eight building companies that are members and then we have other trades such as your electrical, plumbing and so forth. Some of those businesses are working in areas like Dubbo and Wellington and some of them have actually done Housing department work, a lot of local maintenance work, which is really great. We worked with them to diversify what they were doing because some of them were pretty much just existing on that. Then what has happened over the past couple of years, which is quite surprising because we have had a real push for policy around creating more procurement with Indigenous businesses, we have actually watched some of those businesses go under because they are not winning the work

in that local area, yet those guys are the biggest employers out there—they are putting young fellas through trades and all the rest of it. I guess that is another area of work for us. We try and work with State government agencies to advocate and talk about some of this but it is really hard. Again, because we are not resourced, it is hard to stretch ourselves to take that on as well.

**The Hon. RICK COLLESS:** What would the next step be for that young Coonamble man who wants to start up a business? To get in contact with the chamber and you will work with him to develop his business plan?

**Ms BARWICK:** Absolutely. We have got a couple of businesses out and around that way. We would work with him straightaway, probably sign him up as a member and then connect him with anyone else who is out there that can support him in business. He might be a great concreter but it is all those other barriers. I guess we are probably the only organisation that you could say, "Yes, send him to the chamber." Then we will work with him to work out what supports he needs—whether he has got family there and so on.

**The Hon. MICK VEITCH:** If a young Indigenous woman had a concept in her mind about a potential business opportunity and she needed to explore that, she could ring the chamber and you would assist her in taking the seed of that idea through to the growth of a business?

**Ms BARWICK:** Absolutely.

**The Hon. MICK VEITCH:** Developing the business plan, sourcing finances, insurances—the business model?

**Ms BARWICK:** Right from the idea. In a lot of instances we will work with them—I mentioned membership before. Our membership is \$295 per year. A lot of our people cannot even pay that so we work with them anyway. It could be two years before they actually become a financial member. So we support them as a non-financial member, if you like. We would work with that young lady and get her the support she needs and find out what is out there. Depending on what she was looking to do, we would actually tap her into whatever programs we could to help her business go through.

We have got relationships with the Learning Circle at TAFEs and that sort of thing. So whether it is something where she needs to get a qualification or what have you the chamber acts like a facilitator and a network, but at the same time we mentor all the way through. Some people in the early stages are on our doorstep every day, but that is okay. We pay our own rent and it is a little building so it is a struggle but we incubate as well. We have had businesses that come in and they will spend 12 months in our offices because they are not working in isolation, they have got support, they can talk to people about things, they have got access to the internet and they have got somewhere to meet with potential clients. So we do a lot of incubation as well that is not paid for either.

**The Hon. MICK VEITCH:** So when you are talking about some of the impediments to obtaining finance, what are some of the strategies that the chamber puts in place with people to overcome that issue, because that is just not an issue for the Indigenous community either, that is across the board. To start a business is quite difficult for a whole range of reasons, but finance for people is often the biggest impediment.

**Ms BARWICK:** Yes. One of the simple measures is if they are working we would never encourage a person to chuck in their day job and go straight into their business. So it is always working with them, stressing how important it is to keep the income coming in. Sometimes they are very excited about their business idea, but we know that we have got to get it to a certain stage. So we look for a balance of income basically; get the business started. We will work through it first to make sure that it is a viable idea, do some market research with them, get them to go out and identify that they have got a market for it and that they have got the capacity to deliver. It is small steps, never big steps, particularly if they have got no access to finance. So it is about okay let us keep you working over here, let us start building this business up and then crossing over when the time is right. It is a step-by-step process.

**CHAIR:** We sit here as part of government and we are very keen to ensure that we are doing what we can to support development in the Aboriginal communities. I am interested in the two tourism examples you started to give us. Do not give us the names but just tell us what happened in each case so that we can understand that, because the Government is here to support, not to compete.

**Ms BARWICK:** I would hope so. One business is a traditional owner of the area where he was conducting tours into a national park area for a number of years very successfully. As you would know, National Parks are a regulator of national parks and so every year you put your information in to get your permit and what have you; you have got to give your pricing and all sorts of information across. I think around three or four years ago now National Parks decided to set up their own tourism product into that same national park. So this business immediately started to feel the impact of that and started to seek assistance from the chamber about what can they do because it did not seem right that National Parks could do this. So we actually got them connected with some legal advice to have a look at it—and that is the other thing that we do: we have partnerships with the NSW Law Society and what have you—to have a look at the situation. For the last four years that particular tour operator is still going through the process of battling their right to run their tourism product without being in direct competition with National Parks.

The other one is local to Sydney and has been operating in a local tour product for quite some time successfully but doing it in partnership with an authority—a regulator, if you like. Then what happened is the regulator started to take control of all of the business operation side of things that this operator is quite able to do herself, but it has become another legal battle. I am trying not to give names. There are legalities around them so solicitors are involved and ombudsmen have been contacted, but the chamber has tried to advocate by getting them the right advice and the right supports to hear what is going on because, again, they do not have lots of money to go into battle with authorities and so forth.

So there is a lot of that sort of work that we get caught up in—just making sure that our people are being protected and that we are managing the risk, not just for them but for everyone, for government. I mean you just do not want to see that sort of thing going on. As I said when I first started speaking, tourism is a huge opportunity for us here in Australia and I do not think we have tapped into it. So I think it is a shame to kill some of what is already there.

**CHAIR:** So you have got a pretty good cross-section in your membership and you have seen them established and the issue of capacity building, which is one of the big issues. Have you got any sort of specific things that you think we should be focusing on and trying to encourage governments or whoever to do in terms of capacity building for businesses?

**Ms BARWICK:** Absolutely. We have been really successful to a point in getting some clear policies in place that create opportunity for procurement. What we have not been good at is getting any resourcing into the capacity-building space, and it is not just the State Government it is the Federal Government as well. So we have a situation where a handful of Indigenous businesses will do quite well out of the policies that are being implemented. The majority of businesses do not do very well at all because we are not putting resourcing into that space. The chamber, as I said, you can see it is organically grown; it started off in a region and very quickly became a State body for New South Wales. We have regions where they want a regional chamber and a local network to roll out business support and capacity building, but because there is no resourcing allocated to that, we cannot do it. The State chamber is already stretched in resources, and that is a similar situation in each State and Territory.

However, in the Northern Territory the State Government there has just funded a key position within the Northern Territory chamber; it is the Northern Territory Indigenous Business Network but it is our member. So I think what governments can look at is to trust in Indigenous leadership and Indigenous entrepreneurship because it is absolutely there, but we need to enable it and we need to enable it by building the capacity of those entrepreneurs and those businesses. I believe we have a real solution in employment. If we look at what is coming, the young population of Aboriginal communities, if we do not start being a bit clever about how we are going to address that then we are going to have bigger problems in five years time when those young people become welfare dependent. We need to create and support business so that it creates more employment and role modelling. I think if you can have any influence at all it would be to get some resourcing into supporting the work of the chamber in this State so that we can get out there and do more of what we do.

**CHAIR:** You said that you thought some businesses would do all right out of the procurement but most would not. Why specifically do you think most would not? What in the process is not getting them into it? Is there just not enough?

**Ms BARWICK:** Two things. Some of the businesses that do really well have been exposed to family environments where there has been an accumulation of assets, there has been employment for a few generations. Predominantly a lot of the Indigenous businesses today are first generation, so there is a whole lot of learning to

have. It does not mean they are not entrepreneurial or they cannot do the actual thing of the practical service, it is about their capacity to run the business but also access what they need to grow the business. The procurement policy is fantastic and we advocated and lobbied for that, but it was always to be hand-in-hand with investment into the capacity building so that you could develop the pipeline and not really get people into hot water by putting their hand up and saying, "Yes, I'll take that contract, thank you very much."

The other thing that government can do is there are only a couple of programs that are aimed at Indigenous economic development or Indigenous business. Maybe it is a matter of better utilisation and maybe they should not sit here, maybe they should sit here, so that they can be supporting all of this work.

**CHAIR:** Thank you, that is really helpful.

**Ms BARWICK:** I have got to send through a paper as well.

**CHAIR:** That will be very helpful. Thank you again.

**(The witness withdrew)**

**(The Committee adjourned at 2.56 p.m.)**