

REPORT ON PROCEEDINGS BEFORE

STANDING COMMITTEE ON STATE DEVELOPMENT

ECONOMIC DEVELOPMENT IN ABORIGINAL COMMUNITIES

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At Macquarie Room, Parliament House, Sydney on Thursday 18 August 2016

The Committee met at 9:30 am

PRESENT

The Hon. Greg Pearce (Chair)

The Hon. Paul Green

The Hon. Natasha Maclaren-Jones

The Hon. Mick Veitch

The Hon. Ernest Wong

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The CHAIR: Welcome and thank you for making the time to come in to talk to us again today. Because this is a parliamentary inquiry everything is recorded by Hansard, so I hope you are all comfortable with that. At the beginning we need to get you to take an oath or an affirmation, not because we do not think you are going to tell the truth but because, again, it is parliamentary procedure.

I would like to acknowledge the Gadigal people who are the traditional owners and custodians of this land and I would also like to pay my respect to the elders past and present of the Eora nation and extend that respect to other Aboriginal people present. Today is the culmination of the Committee's evidence-gathering phase for this inquiry. We held a number of hearings and site visits earlier in the year and released a discussion paper in July that encouraged responses on what specific actions can be taken and by whom to enhance the prosperity and sustainability of Aboriginal communities across New South Wales.

The roundtable today will consist of three panels, each focusing on a different area. The first panel will consider coordination for driving economic development in Aboriginal communities, the second panel will examine ways to access land to achieve economic development and the final panel will look at building capacity within Aboriginal organisations. I know each one of you has opinions, expertise and experience, so feel free to range wherever you want to help us with our work. We will hear from a range of stakeholders today across each of the panels, including government representatives, local Aboriginal land councils and corporations, and other organisations that play a role in supporting Aboriginal economic development.

Before we commence I will make a couple of brief comments about the inquiry and procedures. It is expected that the roundtable will follow the usual question and answer format of a hearing, however, participants are welcome to answer any question, even those directed towards other panellists, if they feel that they can make a valuable contribution to the discussion. Basically though, what we will do is try to prompt topics and, again, we are happy to hear whatever you have to add.

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 also remind media representatives that you must take responsibility for what you publish about the Committee's proceedings. It is important to remember that parliamentary privilege does not apply to what witnesses may say outside their evidence at the roundtable, so I urge witnesses to be careful about any comments you make to the media or to others after you have completed your evidence as such comments would not be protected by parliamentary privilege if another person decided to take action for defamation. While you are sitting at the table you have parliamentary privilege on anything you say, but I know you will be very careful about using that.

The guidelines for the broadcast of proceedings are available from the secretariat. Media representatives who are not accredited to the parliamentary press gallery should approach the secretariat to sign a copy of the broadcasting guidelines. If you would like to take questions or issues on notice and provide us with a written answer afterwards please do that—just say that that is what you would like to do. But, given we are getting close to our reporting date, if you do take anything on notice we would like the answers back within 14 days, if that is possible. If you have any messages that you want to deliver to Committee members please ask the Committee staff to bring them up. Could everybody please turn their mobile phones to silent.

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ANNE DENNIS, Deputy Chairperson, NSW Aboriginal Land Council, sworn and examined

JASON ARDLER, Head, Aboriginal Affairs, on former oath

DANIEL LESTER, Deputy Ombudsman, Aboriginal Programs, NSW Ombudsman, sworn and examined

WARREN MUNDINE, Chair, Prime Minister's Indigenous Advisory Council, sworn and examined

SAM JEFFRIES, Convenor, Local Decision Making Regional Chairpersons Group, affirmed and examined

The CHAIR: When we set out on this inquiry we were very genuine, and we continue to be very genuine, in wanting to make some sort of contribution to the problems that we all know about. During the course of the inquiry each one of us, as members of Parliament, has learnt a great deal. I think the key thing we have learnt is that in any of this work we must all work together and we must listen particularly to the Aboriginal community and to the stakeholders. The reason for holding a roundtable was to try to give some more opportunity to do that.

Another thing that has become very apparent is that there is a real willingness to try to grapple with some of these problems. We are a State, so we are only dealing with State government of course, but I hope that coming out of this we can harness some of that goodwill. We are not going to be able to fix all the problems, we all know that, but if we can make some incremental improvements then we will have done a good job and made good use of our time and your time. The first issue we want to ask you about is what you think we can do as a State Government to try to improve on service delivery and try to deal with some of these really difficult problems.

Mr MUNDINE: I put my comments in regard to the work that we are doing at the advisory council with the Prime Minister, plus, as of Wednesday last week, I was appointed by the South Australian Government to look at an inquiry into prisons and reoffending. One of the main things that we will be focusing on in that area is economic development in communities, jobs and education programs. I will give you the background. For me, the issues in regard to service delivery and in regard to economic development—because I will focus on that area—for instance, the Prime Minister's Indigenous Advisory Council was primarily set up to look through an economic lens. Everything we looked at across the board, whether it be health, education, employment, incarceration rates, whatever, we looked at through an economic lens and how you do economic management and economic growth in these areas, and looking at an outcome-driven approach and looking at cost efficiencies that could be put in place in these areas.

I find it interesting working from the Commonwealth Government end because you think you know what you know but, in actual fact, when you get at the coalface you see how Federation actually operates and how the States and the Territories and the Federal Government interact in this area. It is quite fascinating. It is about how do we streamline those approaches, starting with the Council of Australian Governments [COAG] process, how States, Territories and the Federal Government can work very closely together in those cost-efficient areas and get better bang for the buck, and focusing on those real areas of economic development, health and a wide range of other areas in that as well.

And using simple things that do not cost as much. When I talk about the cost efficiency area, we—I am talking about Australians and Australian governments across the board—have always struggled in this economic development area. One policy that was put in place on 1 July 2015 was a bipartisan approach and was initially started, thought about and operated many years ago by Labor governments and Coalition governments as well, how can we put a bit of meat on the bone which will be a very cost-efficient area because governments were going to expend this money anyway. So it was about the Indigenous Procurement Policy at the Federal level. So looking about how by 2020 getting 3 per cent of contracts going to Indigenous businesses. That is nothing new: it has been spoken about forever.

It was about how do we make people accountable and making it a mandatory process. So bringing in our experiences from the private sector and the public sector together we were able to then negotiate with each of the heads of the departments, the secretaries, the chief executive officers and so on of the agencies about their approach to this area. It was very focused and working in the right areas, and also making sure we got the definition of Indigenous businesses right and also how we put those contracts out. The good news from that is Commonwealth Government contracts in 11 months have gone from \$6 million per annum incredibly to over \$115 million and it is going up to \$195 million. If we keep on going the way we are we predict by 2020 it will be something like \$1.2 billion, probably \$1.3 billion worth of Commonwealth Government contracts going to Indigenous businesses. Something like \$36 billion worth of contracts go out annually from the Federal Government.

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It is a very simple process, very cost efficient because that money was going to be spent anyway and it was targeting Indigenous businesses. We all know through the statistics that usually 70 per cent of employees of Indigenous businesses are Indigenous. So it has this profound effect of actually creating businesses and incomes but also getting people into work and shifting because that will be the big challenge for us. Now the encouragement is, of course, working with the State and Territory governments—and I do encourage a lot more of this conversation about how they do their procurement policies as well and make it mandatory—as well as local government and the private sector as well. We are having a lot of conversation with the private sector about doing that.

We know that the Northern Territory Government also in a bipartisan approach has got 30 per cent of its contracting actually looking at Indigenous businesses. The big hurdle for us in regard to this approach will be the management of that to make sure that the monies are going to Indigenous businesses; that they are not, as some people call them, black cladding or just fronts—an Aboriginal person at the front but all the money is going somewhere else. That will be the big challenge for us over the next few years of putting that in place and structurally how that operates. Those areas are very important for States and Territories and the Commonwealth Government to work together because rather than reinventing the wheel it is about following similar procurement policies, working off the same definitions and structures in regard to finding those Indigenous businesses and then looking at the way we can then follow up to ensure that it is going through the proper processes.

I know the State, Territories and Commonwealth governments have a very good history in regard to this. One good part of it, even though it took a while to get it in place, is the Corporations Act. That, for the Australian Securities and Investment Commission really set up standards across Australia which did not have to be duplicated as it was all set up and operating. We could do similar things within this space without having the Federal Government's part, the part for New South Wales, the part for Queensland and all that building up a whole structure of administration where a lot of costs could go. In actual fact we should be working together through the COAG process of developing those good structures and compliances and operating from there.

The big thing for us from our angle too is really not the problem that we see that governments get caught up into, is processes more so than actual outcomes and delivering those outcomes. We always say it is very important for governments to have a role to play and, of course, when you are dealing with taxpayers' money you need to have a compliance role to that process. But the real issue is about making sure that we have got targets set. I went back through the Premier's wish list and also opportunity, choice, healing, responsibility, empowerment [OCHRE] and stuff like that. I love the idea of targets and looking at time frames because then that puts pressure on people to actually deliver those time frames and to work in that area. I love that approach but you do have to have accountabilities then attached to that because we have seen within the Closing the Gap every couple of years we trot out figures and in some cases they are moving along and in a lot of cases they are not but there is no accountability for people to fulfil those targets and to make sure that they are happening.

Coming from a private sector background we set targets, budgets and time lines for things to happen and we work with people over that process to make sure that if there are problems we can fix them and learn from them. But at the same time at the end of the day if they are not meeting their targets then a lot of people will be spoken to, in a nice way, in regard to that process. So it is really about those deliverables and that is what I think is one of the things that we have been missing within the Indigenous Affairs space—targets, time lines and accountability. You notice I did not mention funding and that is because that depends really on economic cycles. As we know on the global stage as well as at a State and national stage the climate can go up and down, and budgets go up and down in reflection to that. I think the most important part, as you do in business, is that you set the targets, you look at the time frames and at the accountabilities and then you adjust budgets to meet that within those economic cycles, and that is how you operate.

The CHAIR: Does anyone else have any comments to make?

Mr LESTER: Despite good intentions and work done by government agencies the overall approach by government in our view—and we have put this on record associated to the previous reports—has been quite disjointed and poorly targeted. As we know, OCHRE was released by the New South Wales Government in April 2013, largely in response to two of our previous Ombudsman's reports, 2011 and 2012, which, of all things, what we emphasised was the need to urgently address the economic marginalisation of Aboriginal people. As we know, in July 2014, in recognition of the previous longstanding work associated to the New South Wales Ombudsman's office, the oversight role began and it was the creation of the Deputy Ombudsman, the first of its kind in Australia, that brought to bear independent accountability and robust oversight associated to government policy and its implementation.

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In October 2014 I commenced in this role. I can say to you that the importance of this role is seen to date not only at a high level in terms of State Government interactions but certainly local government as well. Through OCHRE the Government has acknowledged the effective reform in education, and also employment has been central to addressing Aboriginal disadvantage, and commits to implementing the statewide Aboriginal Economic Prosperity Framework to drive whole-of-government action and also to leverage existing mainstream economic initiatives such as the upcoming \$73 billion in infrastructure that will occur in this State over the next four years in particular.

Given our legislative oversight of OCHRE, and also more broadly the pending Aboriginal economic prosperity framework and in light of the attention given not only to this State Government, and as Warren just alluded to the Commonwealth Government, we thought it very timely to report on our observation. That we did and on 31 May 2016 we tabled to this Parliament a special report focusing on fostering economic development opportunities for Aboriginal communities in this State.

We set out to create key areas of reform that we need to deliver tangible, sustainable and also measured outcomes associated with this area. Our observations over the last 10 years—but more importantly, in particular, over the last 18 months—have been engaged with communities at the local level, regional and State level, and have been engaging with business leaders as well as Aboriginal leaders to get a good perspective in this area of economic development and what that actually means. We also went back and revisited our previous report of 2011 and we firmly believe that some of the recommendations in that report are still very current today.

Our report recognises that the framework will provide an important platform for promoting economic independence for Aboriginal communities and makes strong recommendations to ensure it is sufficiently strong and flexible. As Warren Mundine just alluded to, flexibility is key. We cannot have rigid policy that is set in stone and does not meet the needs of the environment, and in particular industry and economic development. For instance, we know how quick the global financial crisis [GFC] was brought on, not only in Australia but internationally.

In terms of the recommendations we would also set out that the framework takes a tiered approach. That tiered approach provides opportunities at multiple levels, both within individuals, enterprise and communities. Clearly the framework needs to assign responsibility to relevant agencies that have, and are given, authority to work across portfolios as well and is underpinned by strong and robust governance arrangements. Within those governance arrangements, it is quite important that, as we have recommended, a strong and suitable body is appointed to implement this reform, and that that strong and suitable body has got clout, experience, expertise and representation from Aboriginal leaders and business leaders alike.

Also within the report we emphasise the need to tackle key areas that inhibit Aboriginal people and prevent them from being part of today's society within the economy, including areas such as ensuring the transition from education into work takes place; reducing the recidivism—and we know through the On TRACC (Transition Reintegration and Community Connection) impact investment bond, innovation has taken place there; and, unfortunately, incarceration is an area in which Aboriginal representation is highly out of proportion, as we know. We also believe that eliminating pockets of financial exclusion—to enable individuals to get out of debt and to progress towards reaching their full potential in terms of employment—and building financial literacy are paramount to success. What options do communities have, such as tapping into the no-interest loan scheme, rather than using high-yield, high-interest payday lenders to plug the holes associated with their financial position?

We also recommend fostering both public and private sector employment. We know that the New South Wales Public Service Commission has an Aboriginal employment strategy that is tackling the public sector, but we also need to ensure that this framework works towards the ongoing and current public commitments from the big end of town's businesses, the small end of town's businesses and the mum and dads. Importantly, we should be creating pathways to home ownership to enable intergenerational wealth to be created instead of greater areas of intergenerational welfare. At the same time options need to be enhanced to tap into things like mainstream employment and mainstream policy; embedding the framework into broader regional statewide planning; and recognising that assets and competitive advantages held by Aboriginal communities are considered. I understand that that conversation will take place after morning tea.

I conclude my first comments by saying that fostering of collaboration and partnerships in both the public and private sectors is critical in terms of sector enhancement. We see that tapping into procurement opportunities is vitally important as well, and that needs to be embedded within this impending Aboriginal economic prosperity framework. I will leave my comments at that to enable others to speak. I am more than happy to answer questions as we move forward.

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The CHAIR: I will come back to a couple of those things in a moment but, Ms Dennis, one of the things that has become apparent to this Committee is that in New South Wales we have two unique advantages that we have not really worked on enough in the past: One of course is the capacity for landownership and land claims, and the other is the land councils. I think I can speak for the Committee without announcing conclusions or anything. We have come to the view that the land councils provide a structure that is unique. They are supported by the vast majority of Aboriginal communities. While they have had ups and downs—and every community of every nature finds that things go wrong and so on—it is an area that really can provide leadership and communication as well as a structure that just is unique. We are very keen to do whatever we can to help in terms of land councils.

Ms DENNIS: Thank you, Chair. Really, I suppose New South Wales has been leading the way right across Australia since the land rights movement and the legislation passed in 1983. Really it was about claiming, acquiring and managing land for the purpose of economic development and to promote and protect culture and heritage so that we, as Aboriginal people, can prosper into the future. In your opening statement you spoke about this being only New South Wales, but when we look at the population of Aboriginal people right across Australia there are 672,000 people, and a third, 202,000 people, live in New South Wales. Again, New South Wales will be able to lead and look at resourcing appropriately through the land rights network—through the 120 land councils across New South Wales.

The New South Wales Aboriginal Land Council [NSWALC] has made a commitment of \$16 million for government to support and work with that. We talk about the legislation that has been there for 33 years. Aboriginal people have been able to work through processes through its membership base and we are really looking at trying to address the disadvantage. How do we turn that around? NSWALC is now focused on economic development and there have been quite a few successes around Darkinjung, with its land mass and the housing project that they have got going there now; Worimi, with the sand dunes; the Orange Aboriginal Land Council, with its 101-room motel that they are actually building; and the cultural and heritage sites around Tibooburra. Really, the framework is there but it is how we look at adequately resourcing the structure that the legislation provides for so that Aboriginal people in communities can move forward. What is good for local Aboriginal community by building an economic base across the region also benefits the whole community.

One of the things that we find is that it is not about duplication. We are looking at how we can build an economic base, not duplicating other services within that community. If we work together through the structures around Opportunity, Choice, Healing, Responsibility and Empowerment [OCHRE] and the Ombudsman to look at how that coordination and facilitation is managed across New South Wales, I think we are on the cusp of addressing some of that. We are moving into a new era for Aboriginal people to have a voice and build capacity right across New South Wales.

The CHAIR: You mentioned resources. What sort of discussions are you having with government, if you are, about resourcing the land councils? Speaking from a personal observation point of view, it seems to me that the package that was put together 33 years ago is not delivering now in terms of funding of land councils, staffing and resourcing. Is there some sort of conversation going on about that? Have you had that conversation?

Ms DENNIS: I will take it on notice and staff here will get back to you. But, again, when we look at the Hon. Frank Walker, who talked about the legislation being inexpensive and simple, it is really the complexities. Not only is it the land rights legislation but we have to come under local government laws, Crown lands laws, and culture and heritage legislation.

They are complementary. We need to work through all other legislation in order to be able to achieve this. So it needs to be resourced. New South Wales Aboriginal Land Council really got no government funds. We need effective partnerships, working with State and Commonwealth government addressing things like infrastructure around water and sewerage. New South Wales Aboriginal Land Council committed \$100 million over 25 years with the Commonwealth Government to address the water and sewerage issues in the discrete communities across New South Wales. I am talking about roads infrastructure and things like that.

We need to partner with the IBAs [Indigenous Business Australia] around how we can work together. Resources are needed to build those effective partnerships but we will get back to you with a submission about that.

The CHAIR: Mr Jeffries, what do you think about those?

Mr JEFFRIES: This is a very complex area. Certainly we take a really strong view that the best economic development strategy that we can have is to get our kids educated. That means starting in early childhood—access to the best possible early childhood services to be school ready, get into the education system

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and have the best access to the best levels of education so that they are job ready coming out of that system and living in society.

In looking at what this inquiry might be looking at, we need to look at what role the Government can play. I do not think that it is solely a government responsibility to resolve this. A fair bit of responsibility rests across all the sectors of society. The corporate, philanthropic and private sectors as well as the Government can play roles in this. We have had a lot of experience in working with governments—Commonwealth and State—through a COAG [Council of Australian Governments] trial in western New South Wales. The lack of coordination and collaboration across government is horrendous. It never seems to be achieved; it can happen in pockets here and there. If you are doing a trial in a community or region that is when you can work at it. It takes time to do that because there are some entrenched attitudes in the bureaucracy about how that should be done. It takes a while to work through those.

Those are some of the really critical aspects—the failure of coordination and collaboration. If we look at the New South Wales Government's role in this—or any government's role—we see that they have always been reactive rather than be proactive. We do not seem to have the political will or the political commitment to develop long-term strategies and stick to those commitments for a 20- or 30-year period so that we give it time to work through and be realised. Governments or political parties seem to think that undertaking that for Aboriginal people is some kind of political suicide.

We have only once seen a national commitment by the Commonwealth Government to Aboriginal and Torres Strait Islander people, which was established back in 1990. We saw some significant things come out of that—the creation of ATSIC, the Indigenous Land Corporation [ILC], Indigenous Business Australia. All of those things came through a long-term commitment of government sticking to those. We were able to see some really high-watermark achievements in economic development through that period. That is a role that government played. A lot of Aboriginal people were employed through that and a lot of Aboriginal businesses were created and are still continuing to operate as a result of that system.

Sometimes I wonder why Aboriginal people cannot be playing at the big end of town. Why are we not mine owners? Why are we not in the bids for the ownership of the poles and wires in New South Wales? Those are the kinds of things that I think really provide the long-term sustainable economic development for Aboriginal people for the longer term. Where that game is being played at the top end of town there are really substantial economic benefits. I served as a director of the Indigenous Land Corporation for 10 years. We had an integrated cattle strategy across the Top End. There were more than 400 or 500 people working in 13 businesses across the Top End. We had a herd of 200,000 head of cattle and owned the export yards and were intricately involved in what happens in Australia's everyday life. Ayers Rock Resort was a significant purchase. It had 700 employees and when the ILC first bought it there were two Aboriginal people working there. Now, more than 60 per cent of the staff are Aboriginal people—managing an international hotel. Unless we do those kinds of things we will still be tinkering around the edges and we will still be falling into that position where economic development becomes a task rather than an opportunity.

The CHAIR: The question of how you get coordination within government and effective communication with Aboriginal communities, the private sector and the charities sector is one that has been worrying us a bit. Mr Mundine, one model is the Prime Minister's Advisory Group that you are on. You might want to talk a little bit more about that. Another model that we have used in New South Wales is to set up a board which comprises the heads of the relevant government departments—it elevates the issue right to the top—plus private sector participants, plus, if we were to do it in this space, Aboriginal representatives. That would be right at the top of government. Do any of you have any ideas of how we can get that coordination, commitment and communication going better?

Mr MUNDINE: There are a number of initiatives at the moment. In fact, there are meetings currently happening with the financial sector and Aboriginal groups—land councils, community-based organisations or entrepreneurs and commercial businesses. Just before Christmas, the Prime Minister approached me and asked me to do a paper looking at closing the gap through an economic lens. I have the nice document sitting in front of me here. I said that there were five things that were critical with regard to closing the gap. The first was that by term 4—this year, 2016—we needed to have Indigenous kids going to school every day. We needed to look how we do that and how we target that. I explained that. The second was urgent momentum and early tangible results in moving Indigenous people from government dependency into real jobs. So we looked at the current government policies and we looked at the private sector and then we bundled that up and had a conversation about that with the Prime Minister.

The third was a realistic and achievable plan for creating employment in small and medium enterprises [SMEs]. Anyone who has ever looked at the economic space and at Indigenous people in rural and remote

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Australia would know that everyone considers the mining industry and so on. But small to medium enterprises employ two-thirds, or even more, of people in those areas. It is not the mining industry and it is not even agriculture; it is a whole range of small to medium enterprises. That is not rocket science; that is just a statistical fact. So we need to look at how we approach those areas and make things happen. That is a challenge because the financial sector does not do that very well at all. When I sit with some of my banking mates they get a crook neck when I mention small to medium enterprises because they like big. Probably because they are mainly men they always like things big.

The other thing I said in that report was that the Government must lift the shackles on Indigenous assets. We looked at a number of assets across Australia that are controlled by Indigenous people. Something like 22 per cent of Australia's land mass is owned by Indigenous people, yet there are all these shackles—all these regulatory issues—that they have to deal with. That makes it impossible to do things. If you look at some of the legislation you may say, "We encourage economic development and business arrangements within Indigenous communities."

But when you go for the regulatory reform work I know a group that is looking at home ownership, for instance, in the Northern Territory and this is an example of some regulatory reform that needs to be done—it is five years of negotiations so far. They have to sign off with the land councils and the local Indigenous people; they are waiting for the ministerial response now. Five-year process—so you are wondering why people do not do things. If you are going to have to work and sit around for five years putting a whole lot of energy into that space, that is tough work. I have worked in the private sector with large corporations, and five years is a long time. But still they have the money and the power behind them to keep pushing ahead. If you are an Indigenous person you do not have their money and you do not have the power, then you are going to give up and not do these things. Government has to deregulate that marketplace and make it a lot easier for Indigenous people to do things.

The final one is: Focus on economic development, not government dependency; deliver welfare reform and not welfare centric. It is a problem with the Indigenous affairs space and I always use a football analogy. In football you train and train and train and train and train on something, and when you get on the field and the pressure is on you always fall back on what you trained on. The problem we have in the Indigenous affairs space and the public service area—and this is not a criticism, it is just a fact—is that they are trained to manage things. They will give you money and they will say, "We want innovation in the program, but on Monday morning you are going to do this at 9 o'clock, at 10 o'clock you are going to do this, at 11 o'clock you are going to do this and at 12 o'clock you are going to do that." That totally destroys innovation—or I love the term "disruptive thinking", where you just smash through things. It is a huge problem within the Indigenous space.

We see incredible people out there who have massive opportunities to do things and have very good ideas, but to crawl through all the regulatory stuff and crawl through all the issues they have to deal with, which the general business community does not have to worry about too much, is just stifling to them. It is stopping the things that need to happen in these areas. These recommendations were based upon immediate action to be put in place within the next six to 12 months. This is long-term thinking, but these things are the foundations that we will drive ahead. I am happy to share this document with this Committee; I will pass it on. You might find some of it a bit shocking; the way that I talk about State governments is not necessarily nice either.

The CHAIR: That is alright. Please to pass it on. Ms Dennis, you also touched on regulation.

Ms DENNIS: Definitely.

The Hon. PAUL GREEN: We have a few simultaneous inquiries on Aboriginal causes, including one on Crown lands. You said that 22 per cent of the Australian landmass is owned by Aboriginal people and they are shackled. I have made the point that we give back land but we shackle it. Yesterday we heard evidence from the Department of Planning and Environment about the attributes of the land. I said, "Hang on, we have shackled"—to use your term—"the attributes of the land to environmental values or what we think that land should be". But how about when we give back that land we allow the Aboriginal community to determine whether that is high-value or low-value conservation land and allow them autonomy in evaluating whether the land has the same value we give it under our planning laws? If they were given autonomy in that determination they could make the land economically viable. In travelling around New South Wales we have tried to flesh out another thing. In your view, should there be an Aboriginal State environment planning policy [SEPP] that would be a critical pathway to releasing opportunities for economic prosperity to Aboriginal communities?

The CHAIR: For those who do not know, SEPP is State environment planning policy, which overrides everything else.

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The Hon. PAUL GREEN: It does not necessarily override; it may take some things into consideration. It has to do the right thing in the right way and the right order, but it would quicken the process for communities. As you said, five years to get a home development through.

Mr MUNDINE: Home ownership in that case.

The Hon. PAUL GREEN: It is just unacceptable. It is crazy that in this day and age, 33 years after the land claims, we are still sitting here and talking about processes. These processes should have been well and truly ironed out to allow Aboriginal people to become self-reliant. Would you like to comment on that?

Mr MUNDINE: The idea is, how do we shift the politics out of it and start focusing on the real outcomes that we need to have to generate growth? There is another area that was a problem. You will have seen the recent case on land clearing legislation in Queensland. I am not against that legislation in the sense that we need to ensure that we are not just digging up the country and smashing it up. The problem we are having is that Aboriginal people are only just getting into land ownership—since 1975—and the opportunities for economic growth, but all of a sudden they are shackled because they have to make up for what over the other 200 years non-indigenous people have done to this country. We need to get the balance in that process, so where Indigenous people are just getting into land usage they are not shackled by all the problems that non-indigenous people have caused over the last 200 years. It is about how we balance that and say, "Yes, you have the land; yes, you need to do economic development on your land to get your people into jobs, to get growth, to get education et cetera." We have to balance that against the land clearing process.

The Hon. PAUL GREEN: We took evidence to an inquiry—and please excuse me if it was not this inquiry because there have been a lot of committee inquiries with crossover with this cause—and asked at point-blank range which has the higher value: the environmental values of the land claim or the Aboriginal cultural history and heritage. It becomes very clear that the Aboriginal land claim sits just under environmental values that we put on the land. I like what Mr Jeffries was saying about big thinking and asking why we are always going for small change. I think there was a case in the Northern Territory where Aboriginal people were of the view that they wanted to tap into a gas line and The Greens went against it, although The Greens have always been for giving Aboriginal people autonomy. The minute that this demand touched a core Greens issue, they would not come to the party. Is my understanding clear?

Mr JEFFRIES: Yes.

The Hon. PAUL GREEN: Would you like to comment on that? In New South Wales we were going to lock up all the land with coal seam gas moratoriums, but we have moved back to allow Aboriginal people to have autonomy over their ground resources.

Ms DENNIS: It is refreshing, because that is a space where we need to be. We need to start to look at how we build an economic base for Aboriginal people where Aboriginal people are in control and making decisions around what is best for their future. The mechanism to me is already here with the New South Wales Aboriginal Land Council around land claims. It allows us to facilitate through economic development and planning laws and there is an accountability. It allows for Aboriginal people to have a voice. I would ask: How many parliamentary members, how many people in Australia, really understand the land rights legislation? Do people know what it is about? In 2015 the amendments to the legislation really put in place a process under ALA [Aboriginal land agreements] because there are 28,000 land claims still in the system. This amendment allows land councils to negotiate on the land we want. What we find is that sometimes the titles—instead of freehold so that Aboriginal people can access and use the land for whatever purposes, whether it is economic development, social, spiritual or cultural—really is limited title.

Then we have to really manoeuvre through local government laws, planning laws and other things. So whether the State Environmental Planning Policy [SEPP] would be able to provide that so that we can work through that. But that is the space where we really need to be in order to have self-determination and be autonomous. But it is place-based, because geographically land on the east coast is of a higher value than western land. So there are inequities around that. So really we have to look at resources and how we resource and how government resources, along with the Land Council, how we can resource that land. Really, that is where we need to be.

The Hon. PAUL GREEN: I ask one question because Mr Lester made some comments. You talk about a "strong and suitable body" of different Aboriginal representatives--business leaders and that. Can you just draw out exactly what that would look like.

Mr LESTER: Before I go there, can I go back to the Chair's previous comment? We firmly believe that a major impediment is the absence of the coordinated and integrated statewide strategy, firstly. That sets the strong foundations and the rigour associated, to ensure that not only does the State Government achieve its

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intent, but it makes a difference for local communities. Ms Dennis just spoke on place-based approaches. We firmly believe that should be the case, where government policy, in this case economic development, must reach to and make a difference for communities across New South Wales. Secondly, the area around Aboriginal Affairs, it is our view that core business within all agencies should include and have front and centre Aboriginal affairs targets. It should not just be left up to Aboriginal Affairs to be the driver associated to, in this case here, Aboriginal economic development. We know, for instance, the Department of Industry has an array of strategic objectives moving forward. I spoke on the infrastructure development that is due to take place in this State over the next four years. And that, in particular, is ground-breaking. We would like to see the benefit from being either an employee or an employer, which is the Aboriginal person, to benefit from that particular investment.

Because, in terms of measuring success, as I spoke on previously, one area of success is how can we ensure that we tap into and improve this financial exclusion for individuals, couples, families and communities across New South Wales when it comes to Aboriginal communities in particular?

The Hon. PAUL GREEN: Aboriginal housing is one of those things and I think Darkinjung, who we will hear from shortly, talk about trying to do a housing estate and a portion of that is put across for their own people. It is fantastic but they cannot seem to get it over the line—it is too long. We took evidence from Shoalhaven where, we are not just saying these are wholly and solely economic committees driven by Aboriginal people. There needs to be a knowledge base there of how to jump the hurdles when they come, quickly and efficiently, doing the right things in the right way, in the right order and get these housing developments through in two years, rather than five and stimulate the local Aboriginal community economically, to be self-reliant.

Mr LESTER: And what gets measured gets done. Mr Mundine spoke on that, in terms of setting strong targets that are accountable and that are reported annually, within annual reports associated with the relevant agency. One of the key things we see, in terms of that level of rigour associated to an integrated statewide strategy, is that there are all agencies responsible to help deliver on something that is there to be improved upon.

The Hon. ERNEST WONG: Mr Mundine touched base in regards to Bridging the Gap. One thing we found in the last site visit is in regards to where I think the Indigenous community, and particularly the business community, find a clash of conflict of cultural and traditional operation when they are being put into the model of the modern entrepreneur. One example is of a fishing group where they say that the way they traditionally do the fishing would not be able to compete with the big companies that are now dominating the industry and also the regulations that they find difficult to comply with. Do you think that has adequately been considered, to create a model, particularly tailor-made for the cultural and traditional operation of the Indigenous community and then the Government will only intervene at the end of it, to create a market for them? Is that something that has been considered or do you think that is something that has already been done but not adequately?

Ms DENNIS: What I would say about that is, Aboriginal cultural fishing techniques and being in that economic space really would be beyond any fishing trade. Their techniques and skills are enormous and would be able to operate in that space. I suppose where it is limited is around the resources, the infrastructure and then we look at education because again, it is about how we look at the legislative requirements and control and being able to work through that. So it is that mentoring and facilitation that, if we could go into that space and Aboriginal people are fishing and there are small trades and we are going through that legislation. But again, when we look at it as an economic development space, really it is about the infrastructure, resourcing to provide that base and then the mentoring to up-skill people to work across that space.

The Hon. ERNEST WONG: So are you thinking that all those resourcing, mentoring programs, are they all in place, adequately in place, or is that something we still need to look into how we are going to improve that?

Ms DENNIS: Resourcing is something that needs to be looked at right across how, if it is education or diversionary programs, because we are dealing with history around protection policies, assimilation policies and the stereotypes that Aboriginal people have come through, right through Australia's history. So we are now looking at moving into that economic development space. As I say, there are frameworks and mechanisms that have been put into that place and Aboriginal people culturally have not lost connection with the land. Fishing culturally and being able to do that, those skills are still there. There are small businesses but if we are to look at the larger economic businesses so that Aboriginal people contribute right across for all Aboriginal people and the wider community, those resources and that mentoring needs to be there to be able to build that, so that we move into that space adequately.

The Hon. MICK VEITCH: When it comes to entrepreneurship, what do we need to do to support and mentor our Indigenous entrepreneurs and is there a different process for male and female entrepreneurs?

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Ms DENNIS: As an entrepreneur, there are many Aboriginal entrepreneurs working across New South Wales and we talk about Darkinjung, Sean Gordon, Worimi and the Orange Land Council. Again, it is a space we are moving into and really, I suppose, we look at male and female genders, like the only difference really is I suppose how we move through that. So equally, females are at that level but because of, whether it is family or other restrictions, but we as Aboriginal people need to be given that opportunity. But we need to be valued as Aboriginal people and historically we have not been valued. So we need to be able to work in that space and work with local government because that is where we start, in our communities building. And really probably the stereotypes and the social issues that we are trying to address in community with access to land around education or diversionary programs. The resources and the funding is really imbalanced. There is more funding to address incarceration or out-of-home care than kids who are actually in community, in schools. How do we turn that around? Really there are many entrepreneurs and Aboriginal people, male and female, but it is about how we start to build that regional base, State base, so that we can develop that industry, whether it be mining, fishing, housing or health.

Mr MUNDINE: As Mr Jeffries said earlier, this is not just up to government; it is across the board. I wrote an article for the *Australian Financial Review* on parity in regard to employment and stuff like that. You look at the figures—it wasn't rocket science. We said, "3 per cent of the population of Australia is Aboriginal, Torres Strait Islander, so let's have 3 per cent of all the jobs that are around." You look at the enormity of the task and it is then focusing on professions and other organisations. For instance, if you are going to run businesses and you are going to be sitting on boards and stuff like that you have got to have a bit of a financial knowledge about things and how to read financial sheets. I am not saying that everyone should be experts in this—I think outside of a profit and loss statement that 99.9 per cent of the population would not be able to read a financial statement—but we do need to have people in those areas.

So we looked at the accounting profession and found that we need 9,000 accountants to be on parity with the rest of Australia. The figures are a bit rubbery here but according to the Chartered Accountants Australia and New Zealand [CA ANZ] and also Certified Practising Accountants Australia (CPA Australia) we have only got about 36. That is a massive task for us to start focusing on. It is going to be a difficult task too because we have got to try and sex up accounting and that is going to be a lot of fun.

The Hon. MICK VEITCH: The first thing you do is remove the sense of humour—you are not allowed to have one.

Mr MUNDINE: I know. You have to go across the board and look at a whole range of jobs and tasks that we have to do. I got into this thinking, I use this—it is not a very good analogy thing—neutron bomb approach. Now as everyone remembers it was Jimmy Carter back in the 1970s who thought of this idea of having a neutron bomb, when you dropped it the humans evaporated and the infrastructure was left so those who survived the nuclear holocaust could actually have infrastructure to work with—I actually find it interesting that there are scientists who work on this. Anyway, I thought to myself about what would happen if we had an Indigenous neutron bomb and we dropped it and anyone who was not Indigenous in Australia just evaporated. Do we have all the skills, education and experienced people—you blokes in the room, of course, I would not—

The CHAIR: No, we would fizzle too.

Mr MUNDINE: Do we have the business-minded to have the cleaners, the doctors—I don't now if lawyers are—but anyway lawyers are in there and everyone else as well to actually run a society? The answer came back to me very quickly: No. This drove my thinking in regard to how do we make these changes? Also we have got to try and stop reinventing the wheel. When globalisation come round not everyone was happy about globalisation but Aboriginal people did really well out of it on several levels. One, I have been to New York and sat in lawyers' offices and there is Aboriginal art in it, I have sat in politicians' offices in Italy and there is Aboriginal art in it. You could argue where that money went to when it got back to Australia—we need to work on that—but it was a global marketplace that we got to. Politically it also helped us too. We went to the United Nations [UN]. We went to all these different countries around the world and pushed our political argument, which then become a global argument for Indigenous people. It is about how we can come off the back of things or get in front of things so that we can move forward.

Whether we like it or not, the Western liberal democracy capitalist approach has worked well—in fact, even the communists in China are following that approach, even though it is a bit of a straightjacket approach. How do we come off that and have an Indigenous face, an Aboriginal and Torres Islander face, to that? The challenge for entrepreneurship is that there are several types of businessman: there is the bureaucrat businessman—I have great fun with Ian Narev and Brian Hartzler about it because I call them bureaucrat business people. They have worked their way up through a corporation. It is not their money; it is our money, it is shareholders' money, and they use that money to do things. I look at that similar to land councils in a number

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of ways, of how we actually get people trained up for entrepreneurial business activity. Then you have the other businessman, which is your entrepreneurial businessman—a crazy person who gets into a room, who everyone thinks is a complete lunatic and no-one will ever give them money, and they come up with ideas. That is the Gates approach to things and other people's approach to things. All they need is a few thousand dollars to kick them off and they are gone, they are off and running.

This is a cultural challenge for us because we are also active in a community or communal approach and it can stifle that entrepreneurial, mad Gates guy sitting in a room, coming up with crazy ideas. So one of the challenges from our side is how we get people in communities to be those crazy people, to be those entrepreneurs and work in that space. That is a challenge for everyone. I am advising the Federal Government in this space with a number of those start-up entrepreneurial approaches as to how we are going to look at things and how you get things done. So looking at BlueChilli and a number of other ideas about how you can get people, support them financially for the first few years, put them in a room and they go crazy and play with their little toys and do that stuff, and put the infrastructure in place for them. I think it was 90 per cent of the problems for the Office of the Registrar of Indigenous Corporations [ORIC] was that people forgot to put their BAS in. I am guilty of that sometimes as well—the taxation office reminds every now and again with a little bill but I fix that up. So it is about putting the accounting backgrounds, the support backgrounds, the secretarial backgrounds, all those types of backgrounds in so that we can have lunatics sitting in a room coming up with crazy ideas and doing things.

The other thing too is—and this is what I am working on, I am doing this job for APEC at the moment for the Department of Foreign Affairs and Trade. We are looking at 2018 to have an Indigenous business round within ABAC and APEC for Papua New Guinea. The idea is that we got all the members of the Asia-Pacific Economic Cooperation and Indigenous groups to work together with their business communities in looking at this big global picture about how we can get Indigenous people into the marketplace and that. We are doing things on small scales. Currently at the moment we have a number of Indigenous businesses from New South Wales and other States, an entrepreneurial approach, community-based approach, which are going into Indonesia and China—Mr Jeffries would know a lot about that from the ILC and the cattle industry and stuff. So we are looking at a number of ways that we can grow on this stuff and get things happening. The problem we are having is that not all of us know about this stuff, we have little secret societies and clubs, but we need to engage a lot better and work in those areas.

The CHAIR: Speaking of lunacy in government, Mr Ardler is the one who tries to juggle all these sorts of things. He has been listening quietly for a while but I would be interested to hear his reaction to this. Mr Jeffries also wanted to talk about entrepreneurship.

Mr JEFFRIES: I will make a comment but Mr Ardler can go first.

Mr ARDLER: I must say that sitting here listening to everything that has been said, from my perspective it is well acknowledged and it is well understood but I must say that I am not hearing a lot that is new. The kind of issues that we have talked about around the fragmentation of programs, the difficulty in sustaining accountability for any period of time, the difficulty in getting any longevity in some of our efforts, they are the reasons why we have taken the approach that we have tried to take with OCHRE. I am conscious that the broad theme of this conversation is around coordination. To me—your first question went to improving coordination around service delivery—it starts with the relationship. I am conscious that we have a relationship between government and Aboriginal people that is very transactional, it is very much about programs, it is very sectorial and it is largely deficit driven. When I go out and talk to communities what I hear them talk about is the need for a kind of a delicate rebalancing of the investment between the most vulnerable and our efforts to actually shift the whole population forward and I think that is where economic development really comes into its own.

What I also hear—and Mr Jeffries went to this—is the need for a whole-of-life-cycle approach to this stuff. When I look at the work we have done with the Murdi Paaki Regional Assembly and the group of priorities that it has articulated through its accord, I think—and, Mr Jeffries, correct me if I am misinterpreting this—ultimately the outcome for that region is economic prosperity and economic independence, but understanding that that starts with giving kids the best possible start in life. That is good parental skills, good early childhood education and other services, making kids school-ready and giving them the opportunity to move into employment, further education and training and to ultimately own their own home and to be able to create wealth.

For me, we need to shift the relationship in that respect. We need a relationship, in my view, that is whole of government and whole of community. It needs to be more forward looking and more aspirational, and it certainly needs to be mutually accountable. I think the big challenge for us in the way we do business now is

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that for every major government service delivery agency there is an Aboriginal peak body that has sprung up to partner with it, so we are having these conversations bilaterally about single issues when we know the complexity of what is going on in Aboriginal community does not work that way. They are whole-of-life issues. We do not compartmentalise our lives around education, health and these things, but that is the way we are engaging and that is the way the two-way engagement is happening. I think there is a need for a more holistic, place-based—the sorts of things that people have talked about in their responses—approach that is not just about the usual programmatic approach. We need greater longevity in the approach that we are taking.

For me, it is about preparing people to be able to take advantage of the opportunities that are there. The comments that people have made about this are that we have seen in the past the individual Aboriginal-specific employment programs run by individual agencies with a lack of any kind of coordinated approach: it does not work. On the other hand, what we are seeing in this State is strong economic growth and a clear framework from the New South Wales Government around how it has prioritised the economic prosperity of the State. From my end it is about how we make Aboriginal people ready to take those opportunities. There is going to be job growth—how do we make sure people are competitive? The commitments that have been made around NAPLAN outcomes, public sector employment and those sorts of things are the start. For me, it is about how we build this into the mainstream. I take Mr Lester's point that it is about not just Aboriginal Affairs but all of those agencies having this stuff front and centre. I can certainly remember having a conversation with a former Aboriginal Affairs minister many years ago, and he commented to me that, "We'll know we're making a difference when CEOs of departments are thinking about Aboriginal people and Aboriginal affairs first thing Monday morning, thinking 'What am I going to do this week?' instead of getting to the end of the week and thinking, 'Oh, that's what I should have done.'" It is getting this stuff to the forefront of people's thinking.

The Hon. MICK VEITCH: Or when they have to complete their report.

The CHAIR: Can you tell us anything about where the Aboriginal Economic Prosperity Framework is up to?

Mr ARDLER: It is progressing.

The CHAIR: Good bureaucrat's answer!

Mr JEFFRIES: I want to emphasise something that the experience has taught me over a long period of time—Mr Ardler just touched on it—the relationship aspect of this. I cannot emphasise it any further. I think it is a really intricate part of being able to do something successful. There have been a couple of analogies chucked around here this morning, but quite often what happens is that on our side understanding the complexity of government and all its machinations is a real challenge for us. On the Government's side the challenge is understanding all of our complexities and machinations as well and how we make those things work. Quite often I think both of us are guilty of not understanding this game that we are in, if I can use that analogy. I think both of us have been guilty of turning up to the football game in our cricket gear and not really understanding it from the point of what we are trying to give to each other and get this right. But I think getting the relationship right is the important part where we can turn up at the table around the same things that we have been tasked to be responsible for.

Mr LESTER: In terms of that area of entrepreneurialism, I see that as one potential action associated with representing that more broad, coordinated, integrated statewide strategy. In addition to that area of opportunity, the continuation of the established industry-based agreements that currently exist here in New South Wales—there are three—is being led through Aboriginal Affairs. We commend its efforts associated with wanting to extend the opportunities to tap into areas such as the information, communication and technology and other areas. Certainly associated with having the rubber hitting the road, so to speak, within community and seeing what that really looks like, it is critical that industry-based agreements are considered in relation to continuing that collaboration, that relationship and the partnerships that we have just been speaking of, but within the IBAs there must be strong measures of success for outcomes and not outputs. I must say that in the more broad area and strategy it is imperative that outcomes are measured—yes, outputs are critical—and also made visible in relation to how progress is being made and shared with community as well, because if we want genuine, respectful mutual partnerships and relationships, you need to be informed. Certainly visibility around reporting is key.

The Hon. NATASHA MACLAREN-JONES: I have a question in relation to shifting that focus from short-term employment to ensuring long-term employment within communities. I am interested to know your opinions on what more can be done, particularly regarding Mr Mundine's comments about how the majority of opportunities are in small and medium-sized enterprises. What more can be done?

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Mr MUNDINE: If you are just looking at profits and outcomes, there are a lot of other things you could look at, but, if you are looking at employing people, SMEs are the biggest employers.

The Hon. NATASHA MACLAREN-JONES: Are there enough incentives for local SMEs to employ Aboriginal people? I know the industry-based agreements are good, but they are the peaks and they are short-term employment opportunities rather than long-term and sustainable.

Mr MUNDINE: It is a tough area. SMEs across the board is a tough area to get into, not just looking at the Indigenous issues. It gets back to the support mechanisms that you can put in place. We all know what those support mechanisms are. They have been around for quite a number of years. We also need to look at the regulatory reform in these areas. What I talked about earlier with regard to environmental issues is that Aboriginal people are always going to be environmentally friendly and are always going to follow the laws. It is just about us having been lumbered with 200 years of history when we should be given a little bit of leeway and some support out there. With the SMEs, it is really about the background support that they need to give with regard to their compliance issues so that they can focus on the areas that they need to focus on. If they are good at making widgets, we need them making widgets and not sitting at a desk for 24 hours doing all this other stuff and working out odd things.

Ms DENNIS: When you look at the New South Wales Aboriginal Land Council and 120 land councils across nine regions of New South Wales, that training and that employment is the largest land-based asset across New South Wales. It owns infrastructure and housing, and that training can be multifaceted right across every area that we need to actually address—around housing, around financials and around land management. Everything that we need to be able to do, we can do across there. It is a structured system that has been in place for 33 years. As I say, we need to lift the shackles. ALA and the SEPP, they should not be another compliance or a regulatory process. It really needs to be able to let us unshackle the restrictions of the ALA as it is at the moment to be able to allow local communities to get on with business around managing, acquiring land for economic purposes and to promote and retain culture.

The CHAIR: We only have 10 minutes left for this session. Jason is right, we are not hearing a lot of new stuff, which is the problem and why we are here, in fact. What we are trying to do is add our few little answers, if we can find a few little answers, particularly in this space of how we get better coordination, cooperation and communication going and accountability. I think we have got some good stuff coming out of that. I would just like to give each of you an opportunity to toss in the last gems that we should know about that we might be able to use. Anne, you have got something in your mind.

Ms DENNIS: It is just about being genuine and meaningful, that we work together as Aboriginal people with Aboriginal people to allow that building of capacity and having that voice within community. We have got mechanisms in place right across New South Wales; now we need to get on and it is about action: how we start to work together. I think it is that goodwill and that action needs to happen.

Mr JEFFRIES: One of the biggest bugbears I have is this whole coordination and collaboration across government. It can work sometimes and then there will be a change in policy or a change in the regional director or there is a change in Minister or a change in secretary and then we go through it again. So there is never something that is consistent through there. Regardless of what happens around that, we are never able to maintain that when we do achieve those heights of coordination and collaboration across government. Finding a way through that—I do not know what the answer to it is; I am just highlighting the issue. Government is responsible for this. We have got to wear the actual outcome of that and then try and rebuild that whole notion again and get people educated on how best it is to get themselves organised to respond to the issues that we are finding as a priority in our communities.

Mr MUNDINE: There is good news in here as well. The good news is that in my 60 years of life this has probably been the best environment, the best climate, for engagement and doing business. Even from the Indigenous side, if we had had this conversation 15 years ago it would have been a totally different conversation—even 10 years ago. The shift in thinking that if we are going to get real self-determination, if we are going to get real independence to do things, we have to have an economic strategy to do that, and that is what we should be focusing on: how an economic strategy happens.

When governments like the New South Wales Government do things and think about things, we should be part of that package. I always find it interesting that people do things and then they go, "Oh, by the way, we have got to look at the Aboriginal people now." No. We should be at day one part of that package because, as I was saying, through the land council systems, land rights, native title and so on, private purchase and that, there is a lot of land out there that does belong to Indigenous people. It is about how we can commercialise that and make things happen, keeping those balances of culture and community in that.

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Sam made me think about this: We have to be realistic. We are not going to cure the ills of the world here. A Minister will always change, a regional manager will always change, so we have to have a real, sustainable approach to this so it is not just a personality-driven approach; we are actually looking at an economic strategy and people are accountable to that strategy no matter how many times they change or whatever and that we are driving forward in that space. When you do an economic strategy, we have got to move away from government doing these things. Government is very good at getting in the way or very good at getting out of the way. We need to have that balance of creating the environment for us so the kids can get out there and play and do things. That is what we should be focusing on and a way we can move forward.

Whether we like it or not too, we need to be getting more private sector investment into our communities, and that is talking about how we look at our land reform processes. It is about our governance and stuff like that. The private sector—everyone is out there willing to do this, they are just not too sure how to do it. So it is about how we can engage and work with them to make that happen.

The Hon. PAUL GREEN: But they will not invest if you have got a five-year process; they want a return. So we have got to do something to quicken that confidence.

Mr MUNDINE: And that is a regulatory issue—that is a very simple regulatory issue that can be resolved tomorrow morning. In fact, I think we should be setting targets in regard to the bureaucracy. If we have got to approve some infrastructure or some housing program or something like that, it is about the time frames. You say, "Okay, how long does it take for you to approve or not approve this and then explain to us why it did not?" We say that everyone should be accountable to that. "Why didn't you build that house?" If they did not build the house there may be a good reason; so we need to know that. There have to be time frames and accountability put in front in that.

The CHAIR: Having been in Government, in Opposition and in business, Sam, you are absolutely right about things changing and so on, but I think we have got a few hooks here that we can grab onto. We have got the land ownership, we have got the land councils system and we have also got the Ombudsman now. So working those three and strengthening those I think can get over some of the problems about governments changing and bureaucrats changing.

Mr LESTER: If I could make some closing comments as well? The time is right. As you just alluded to, there are major reforms being considered, we have got a very active new Aboriginal affairs plan and front and centre within that is providing ways by which economic prosperity not only can be realised but achieved for Aboriginal people in this State. In addition to what I have spoken on today can I add that the consideration of building strong, informed and flexible evaluation frameworks from the get-go is paramount, and that ongoing evaluation of the relevant services and programs that form part of the pending framework is considered and that it measures whether or not it is making a real difference for Aboriginal communities in this State and, if not, how can adjustments be made to ensure that services and programs are actually what the community is seeking to achieve.

Mr ARDLER: I guess, for me, nothing very different to what has been said. I see from the Government's perspective we have got three key areas where we can focus: one is around direct employment; one is around leveraging our spending power—so our procurement; and the other is around supporting economic agency, the development of skills and capacity amongst Aboriginal people. In some respects the direct employment stuff and the procurement stuff is the low-hanging fruit and there are some challenges in it, but it is more straightforward, to a large degree. It is the economic agency stuff, for me, that really needs to be the focus going forward, but, in saying that, again I think that there is an agenda right now around NAPLAN and better education results, making it easier to do business, reducing planning decision-making time frames, and all those things that will support skills development for Aboriginal people, better utilisation of the assets that Aboriginal communities hold and small business development. So, for me, the key is about how we leverage those commitments and those targets to make sure that Aboriginal people benefit from them and get opportunity from them as well?

The CHAIR: Last word, Anne?

Ms DENNIS: I suppose really it is about the resources that are needed. We could probably sit here and talk about all the social issues and the disadvantage that we as Aboriginal people have faced over 250 years. The time is right now. The structures are in place. It is about monitoring, evaluating and things like that. It is about directing those resources so that Aboriginal people are employed to address the issues in community. Through land councils, land base, through Aboriginal education committees, through the Capital Arts Patrons Organisation [CAPO] we have got organisations and structures in place, but we need that genuine government commitment to be able to work and allow Aboriginal people to have that control and the voice in our future and our destiny.

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The CHAIR: That is a really good spot to finish up the session. Thank you, each of you, for being so generous with your thoughts and your time. I guarantee that we will be doing our best to make sure we give this a bit of a leg-up and a push-along and that we move towards that aspiration, Anne, so thank you.

(The witnesses withdrew)

(Short adjournment)

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STEPHEN WRIGHT, Registrar, Office of the Registrar of the Aboriginal Land Rights Act 1983 (NSW), affirmed and examined

LAURIE PERRY, Chief Executive Officer, Wonnarua Nation Aboriginal Corporation, Singleton, sworn and examined

SEAN GORDON, Chief Executive Officer, Darkinjung Local Aboriginal Land Council, sworn and examined

DAVID CLARKE, Group Director Governance and Strategy, Department of Industry—Lands, affirmed and examined

JASON BROUFF, Manager, Aboriginal Land Claims, Aboriginal Lands Unit, Crown Lands, Department of Industry—Land, on former oath

ALISON FRAME, Deputy Secretary, Policy and Strategy, Department of Planning and Environment, sworn and examined

ANNE DENNIS, Deputy Chairperson, Aboriginal Land Council, on former oath

MISHKA HOLT, Principal Solicitor, NTSCORP, affirmed and examined

HEMA HARIHARAN, Manager Strategic Development, NTSCORP, affirmed and examined

The CHAIR: I have already gone through the formal material and acknowledged the Gadigal people, our traditional custodians and owners of the land and I have paid respect to the elders past and present to the Eora nation and extended respect to other Aboriginal people who are present today. The purpose of this roundtable discussion is to help the Committee finalise the evidence that it has been gathering in this inquiry. As I mentioned to the earlier panel, this Committee really wants to find solutions and move forward on a lot of the very difficult issues we are all aware of, but we are really looking for ways that we can influence through the State Government the opportunity to improve our communities through economic development.

We tried to look at coordination issues in the first panel and now we want to talk a bit more about access to land and those sorts of issues and we will look at capacity building. But we are happy to hear from any of you on any issue you want to talk about. We do not have a lot of time, as always is the case in these meetings, but I am sure you will have sufficient time to mention anything that you think is very important. Because we are a parliamentary committee we have to swear or affirm you and get your names on the record, if you are happy with that.

The Committee is very encouraged that a lot of people are very enthusiastic and want to do everything they possibly can to improve coordination and to make sure we use all of the benefits we have in New South Wales. In the course of this inquiry what has become very apparent—and people like Sean have been very direct about this—is the capacity for land ownership and land claims in New South Wales is unique and gives us a great opportunity. The land councils are a structure where there have been ups and downs but they are unique structure that give us a lot of opportunities in this State. We have talked about government, the private sector and Aboriginal coordination and programs and things and we would very much like to hear about your experiences, ideas and suggestions to the Committee as to things it might be able to put to the New South Wales Government.

Mr PERRY: I guess from our point of view from the Singleton, Muswellbrook, Hunter region areas we have closely looked at how to develop our land that we own, lease or manage. We call our land hubs and so we have got five or six hubs that we are doing now and proposing to do as well and mainly the areas that we are discussing are former missions or reserves. Can I just touch base with a couple of them?

The CHAIR: Yes.

Mr PERRY: At St Clair Mission out at Carrowbrook—mostly my mob are from that area—we have successfully completed two Aboriginal protection places for that area. We are also now developing that area with a community hall and road construction. We are turning it into a place called Wonnarua Cultural Park. We want to be able to use that area to take tourists to, schools, groups to learn more about Aboriginal culture in the area, especially Wonnarua people. We are now embarking on developing a fish farm appraisal as well with the feasibility study just complete. The plan of management and hard work that the nation members and directors have done over the period of time has been excellent. We just received some further money from Office of Environment and Heritage [OEH] after a submission I put in for a conservation management plan to put into the property as well. There has been good work from the board and the chief executive officer, I suppose, to deliver

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that sort of project which is a great outcome for the Aboriginal and non-Aboriginal communities for tourists and the like to be able to promote our culture in a safe and sustainable way which brings economic development back into the community.

That is one part of it, but the key point about the St Clair mission and the community hall is that it was based around an offset. That offset was done for the Hunter Expressway. It was negotiated through a submission. Other groups or land councils were involved in those submissions. The submission process, in my opinion, worked because the Heritage Act does not include the offsets of such a submission. For Roads and Maritime Services [RMS], who gave out the money to us to build that building, it worked; but, then again, that gave us that avenue to take in economic development as well for the community. That is a tick, tick, tick box for that process and it will just keep growing as well.

The other project that we looked at was Valley Arm, which is a project we negotiated with the Australian Rail and Track Corporation [ARTC] through a biobanking agreement we developed with Marcia Ella from the Office of Environment and Heritage. No-one knew what biobanking was at the time, including myself. I had to read up on it and understand it but, basically, it is another offset that we use for the property that we own at Valley Arm, which was purchased by the Indigenous Land Corporation [ILC]. After much negotiation, we did an agreement with the ARTC with the help of GHD at the time. We were the first Aboriginal organisation to deliver a biobanking agreement in Australia. That achievement was absolutely fantastic from our point of view, but it also created employment to manage the property for 20 years with a budget. I urge other land councils, community groups and organisations to endeavour to look into those proposals because it is a great, great win and it is a great, great outcome, not just for biodiversity but you can actually sell your credits as well.

By doing that, we also created a company called WMR Pty Limited, which is now set up at Camberwell and which came under a native title agreement. The Camberwell nursery now is running. The WMR company is running. There have been a few little hiccups here and there, as you do when you start up small businesses and start delivering outcomes. That process has worked. We have also included the ILC in that as well to gain equipment. We are working hard with government resources and we are trying to deliver real outcomes. The Camberwell nursery now is set up and we are now investigating the bush tucker industry because we understand that the bush tucker industry is a major industry now. Not many Aboriginal people in New South Wales or throughout Australia are involved in this industry. It is a very profitable and wealthy industry.

Four workshops were run by Department of Primary Industries [DPI]. We went to one of them and there were a number of other Aboriginal groups. DPI did a fantastic presentation. It got me more interested in it because I did not know too much about it at the time. But since learning more, I urge not just our members and our directors to engage in this exciting new venture but also Aboriginal people across Australia. When you read all the documents and read about the money that is coming in and going out and supply and demand at the moment, which is needed, it is just a no-brainer for Aboriginal people to get involved in this industry. The bush tucker plants are ours. They always were ours. We survived on them. It makes good sense because the medicinal side of bush tucker is making great inroads towards helping not just Aboriginal people but all people on this planet. That is a great initiative.

In relation to the Huntley community project, or the Huntley Museum, we are working well now with the LWP Property Group that is building the new town of Huntley near Branxton where we plan to set up and run a museum there. We are working with RDA Hunter, who are based in Newcastle. We have had a number of meetings with Huntley and them to look at how we can apply for funding towards the museum getting built. The hard work is starting to pay off. We are also looking at other sponsors who are out there in the community. It will also have a gift shop and a café. We have been talking to the Australian Museum about getting the Morrison collection out of the Australian Museum, which belongs to the Singleton area and also the mission, and which is a huge bonus. We are negotiating getting all the artefacts from the area—from the mines and the developers—to go into that museum as well. We are building dioramas of the sites that we own that will go into the museum. We have completed a book as well about our history. We are doing a 3D DVD traditional boundary project, which will go to the museum.

We are now fully seeking the support of the Government as well underneath the Federal Government fund. I cannot remember what it was but it was the former Deputy Prime Minister, Warren Truss's, fund. We have been talking with them and we are trying to get this museum up and running. As you can see from the hubs, when you realise what is going on in our community and also outside, there is a lot of potential there, especially with the naming of the new bridges along the Hunter Expressway which connects up to the museum, which in turn connects up to Valley Arm, and will connect up to St Clair mission.

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Pioneer Road has just received funding from the State Government to set up a youth farm. We have worked in partnership now with World Vision Australia. We want to run youth camps in the area. We have already met up with the two schools in the area to implement those. We want to get kids to learn more about their heritage and culture and to get a better understanding of cross-cultural awareness and training as well. We believe that just not our mobs need it, but schools in general. That is the Pioneer Road one. The Biami-K one, the last one, has been Aboriginal protected [AP'd] as well and Heritage listed. This will be the first property owner in an Aboriginal organisation registering such a significant site along the east coast of Australia. It has been approved by the Office of Environment and Heritage. We have also received funding to do the conservation management plan for that area and we are working closely with the property owner and the Government to be able to turn this site into probably one of the most significant sites across the east coast of Australia. That is one great achievement that we think we have done. Basically we have three APs up and running and supported now.

Our last AP is Redbournberry Hill, which is a former reserve and mission common. That will now be looked at intensively with Office of Environment and Heritage and that is our last piece of the puzzle in terms of the hubs that we have been operating, once we AP that. It is important to understand that the Redbournberry Hill was a former mission when the AP was put in, but there was a claim by the Wonnarua Aboriginal Land Council in Muswellbrook, so I had to go back to the Crown lands department and talk to them and basically say, "Well, look, what are we going to do here?" The Crown lands said, "Mate, there's a claim on it. You need to go back and talk to the land council." I went back and I spoke to the land council. It took them six months to give me a letter but I got it. That is part of the negotiation. That meant that the land claim and the AP can work together.

We basically went and did that, and now that claim will probably move forward. That means that we are working in partnership for that process. It is a very difficult path to take as well because of the community issues and land and all that sort of stuff. But, yes, that worked, and we will now work with Local Land Services once the Minister signs it off, with any luck, and then we will start developing the project as well. Basically we have been working our land and working our sites. The last one I have not even put on the map and that is the Cessnock hub, which we are developing now with the local schools and the local HLA and the Cessnock council. We have got all our sites that are recorded in those areas to look at bicycle tours as well. We also have just finished a bush tucker garden and a learning circle at that school. That is the second one we have done as well. We are, in my opinion, working really well—not just with the Aboriginal people. In Mindaribba Local Aboriginal Land Council we are working with other stakeholders and non-Aboriginal people who are interested in Aboriginal economic development. I will probably table the information about my last point. I will not go through it. Have I talked too much?

The CHAIR: No; this is a great case study of what we are trying to achieve. We will come back to some of the problems that you have encountered along the way that we might be able to work on.

Mr GORDON: I forgot how much you do speak!

Mr PERRY: I do, once I get going!

The CHAIR: It is a great case study.

Mr PERRY: I am now looking at community smart farms. We have been talking with a company that is based in Sydney. We have done our homework on this company and we have looked at how we can develop a probably revolutionary community smart farm. I will not go through it all but I think it is an opportunity. It will work in remote communities—not just in local areas like Sydney or where we are in the Hunter Valley. I think this will work for mining industries with respect to rehabilitation. The main thing is that it will provide an income back to the community.

I will touch, shortly, on how that will work. This can provide a self-sustaining bio-farm producing on-site bio-diesel for plant equipment and vehicles; produce income from animal-meal supplements; provide the opportunity for free-range poultry, aquaponics fish and vegetable farms; create long-term jobs for a number of community members; provide a regular transport link and the ability to buy discounted foods from bulk suppliers, producing an annual profit to provide additional benefits to the community. The technology that we have looked at here will provide a great outcome and achievement, I think. I think this can work across New South Wales and even Australia. I will table these documents with respect to the Cessnock hub and everything else.

The CHAIR: Thank you. Ms Dennis, this is a really good case study. You have already participated in our first panel discussion.

Ms DENNIS: We talked about economic development and the importance of land. With respect to land and water, we will not exist without cultural flows. It is urgent that the New South Wales Government

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acknowledge the rights of Aboriginal communities to cultural flows, which include allocations of water for cultural, social, environmental and economic purposes.

It is great to hear from Laurie Perry about the amazing work that they are doing. There is a property 70 kilometres north of Bourke—that is, approximately 1,000 kilometres from here. The Calooma/Nulty Springs is vested to 17 land councils. It is particularly looking at diversionary programs for kids in the remote western area. But the biggest issue around that is that there is no water on the property. We are trying to manage and access water around the area.

The New South Wales Aboriginal Land Council is looking, through the economic development policy and funding, at \$200,000 to go to Wilcannia for goat farming. They are trying to manage that and employ local Aboriginal people. I can give examples right across New South Wales and across the network about government recognising the need and recognising that we cannot separate water from land. Amendments to the Crown lands legislation will impact on the Aboriginal Land Rights Act. We need to be aware that if we change something over here, it will have an impact or create a backlash across here. So we really need to hear the voices of Aboriginal people. I look forward to the discussion; thank you.

The CHAIR: Mr Gordon, you have already given us a lot of information. We all know of the successes of Darkinjung but you have also been good enough to tell us about how hard it was to get there and about some of the things that are still impediments. Is there anything that you want to highlight that we should take on board today?

Mr GORDON: I still genuinely believe that the lack of economic development is the greatest atrocity caused to Aboriginal people since the arrival of Europeans. From day one we have almost been cut out of markets and opportunities, and policy after policy has continued to put us in a situation which has resulted in the position we are in today, where Aboriginal people are absolutely dependent on government in regards to welfare, and where Aboriginal organisations exist to provide services to a disempowered people. So the whole balance is wrong with regard to how it is set up.

I speak from Darkinjung Local Aboriginal Land Council's perspective and from a place-based perspective. I do not see myself as an entrepreneur. I see myself as a practitioner. We try not to get stuck on the problems; we focus more on the solutions. For too long our people have been focused on the problems that might exist in a community and we lose sight of where the opportunities and the possibilities are.

To get to where we are has been hard work. I have been in the education game, the Aboriginal employment game and the building industry for a long time. Aboriginal economic development is, without a doubt, the hardest space I have been in. There are so many hurdles and barriers that we need to get through just to achieve success within that space. I listened to Ms Dennis talk about the need for more resourcing in that space. I do not believe that there is a need for more resourcing. We have the resources. Darkinjung holds a cash investment of a bit over \$30 million. We have large assets to leverage off. We do not need any more resourcing. The barriers that prevent us from being able to move forward are the policies.

Unfortunately, Aboriginal policies are bolted on. They are not built into existing policies. I can give you examples of that. There is nothing that reflects the New South Wales Aboriginal Land Rights Act in the Crown lands legislation. So there is a disconnect immediately, and a competing interest. The New South Wales Aboriginal Land Rights Act should be recognised at the very front of the Crown lands Act. It should say, "Here is a piece of legislation that has been implemented to empower Aboriginal people to build an economic base and to move their people forward." The one vehicle that we are able to claim land from does not recognise that piece of legislation as being critical to how we move forward.

There are other issues around the Aboriginal Participation in Construction policy. It was launched in July last year by the New South Wales Government but the Aboriginal Participation in Construction policy has been around for well over 10 years—particularly in the Aboriginal Housing Office. I could look back over 10 years and say that there were 15 Aboriginal builders employed with the Aboriginal Housing Office. I doubt there is one Aboriginal builder employed today to undertake repairs and maintenance within Aboriginal housing.

So the policies are failing to support Aboriginal businesses. In fact, more Aboriginal people have moved out of the building and construction industry after getting qualifications, getting licences and setting up businesses. The contracts have not been flowing to support those businesses. Again, that is not a resourcing issue; it is a policy issue of making sure that Aboriginal businesses are continually supported so that they can take on that type of work. Unfortunately, much of that work has been taken over by non-Aboriginal people working in areas such as Brewarrina, Walgett, Bourke, Goodooga—in remote parts of the community where there are a large number of Aboriginal people trained in the building industry. I know that because I trained a

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number of them in a former role as a construction teacher at Moree TAFE. That is another example of a policy that has been bolted on, not built into the existing system to allow Aboriginal people to move forward.

Add to that, and again we have the New South Wales Aboriginal Land Rights Act but planning policy, planning legislation, just does not build in the Aboriginal Land Rights Act and the purposes it was set up for. The Office of Environment and Heritage policies, native vegetation policies—it absolutely frustrates me that as an Aboriginal land council trying to undertake economic development in our community, the one thing that pulls us up is a powerful owl or the native vegetation Act. It is absolutely ridiculous that Aboriginal people get themselves in a position to undertake economic development, make a decision to enter into that space, and a powerful owl is the one thing that prevents us from being able to do that. That owl would have been roasted—30 or 40 years ago you would have cooked him up, or even the native veg. Act. There has to be some type of recognition of the Aboriginal Land Rights Act, its purpose to build an economic base for the Aboriginal community and that it compensated Aboriginal people for loss of land.

If a second land grab is going to come because of native vegetation legislation or because of flora and fauna legislation then we would be on the eight ball straight away, because the majority of the land we are claiming from Crown land automatically gets caught up in the conservation space. That is where the additional resources come in that Ms Dennis talked about. To fight the legislation you then need additional resources to get through the process. At the moment, Darkinjung's path into economic development has been through the Land and Environment Court. We have been there four times, we have been successful four times, but at a substantial cost to our community—about \$200,000 a pop. That is \$800,000 we could have invested back into building homes, continuing to run our education programs and to do what we do in that space.

A major review of existing policies to support Aboriginal development—we have looked at the development of an Aboriginal SEPP. If an Aboriginal SEPP is too difficult there are minor amendments that you can make to seven pieces of legislation that already exist—seven pieces of policy that already exist—that would give you the same benefits an Aboriginal SEPP would give. But all of those policies, again, need to build in the purpose of the Aboriginal Land Rights Act to allow for those things to flow. Right now, those are the real things that I see are the big barriers to Aboriginal economic development. Once we start to sort those things out you can then move to a place-based solution, brokerage-type scenario. You can address the issues of Walgett based on what is happening in Walgett. But if Walgett runs into the same issues or Brewarrina runs into the same issues or Bourke runs into the same issues that we are having with legislation not acknowledge housing or recognising the vehicle that you have, which in this case is the Aboriginal Land Rights Act or the native title legislation. They are not doing enough to recognise those things and embed them into existing policies.

I want to add the challenge that we have had to get to where we are—and I use the phrase "getting the conditions right". We have the conditions of Darkinjung Land Council right and our board is 100 per cent functioning. We have strong corporate governance and our members are 100 per cent committed. We have built capability and capacity within the organisation with our staff. Our members are supporting us down the economic path. We have done a lot of work with the corporate sector in that we have a significant investment from a program called Jawun. Right now I have nine corporate secondees sitting in all of our Aboriginal organisations on the Central Coast. We have had this program going for well over four years. Last year we had \$1.5 million worth of corporate secondment come into our Central Coast Aboriginal organisations.

We have the corporate relationships right. We have the partnerships right in that space. Where we have not got the conditions right is in the relationships between Aboriginal landowners and local government and Aboriginal landowners and State Government. Our dealings with the Federal Government are very small. Our dealings as a land council with the State Government are quite minor. We probably spend 80 per cent of our time dealing with local government, and right now local governments are just not aware or are unappreciative of the Aboriginal land rights legislation and its purpose. In fact, we get tangled up competing for the same parcels of land through Crown lands, rather than trying to identify opportunities where we both can gain real benefit and real value. I will finish on that note and I am happy to respond to questions.

The CHAIR: Mr Clarke and Mr Brouff, I know you have limitations in what you can say, as all public servants have limitations. This is as open a discussion as we can have in trying to inform the Committee. I do not know if you would like to respond to a few things Mr Gordon said.

Mr CLARKE: I will make some brief comments, thank you. I would like to start by acknowledging the traditional owners of the land on which we meet and pay my respects to elders past and present. As the Committee knows, the Crown estate is some 33 million hectares, and the Crown Lands Act is the principal legislation through the Minister for Lands and Water. There is a very strong nexus between Crown lands and the Aboriginal Land Rights Act, through the land rights mechanism. Mr Brouff is here with me today and managers our Aboriginal land claims unit in Dubbo. In the Crown land space the Government has been through a review

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process, the Crown Lands Management review, which culminated in a white paper in 2014. The paper went out for consultation about new legislation, and the government response was issued last year. New legislation is a key pillar of that response. Another pillar is the proposal to enter into negotiations with Aboriginal land councils and local councils to look at interests in land. That is going to rely on the new Aboriginal land agreement mechanisms under the Aboriginal Land Rights Act, which is a new provision with a lot of opportunity. One of the key elements of that is working in partnership with those parties—State, local and Aboriginal land councils—to look at issues associated with land. I am happy to answer any questions.

The CHAIR: Ms Dennis, what is your experience so far of the negotiations?

Ms DENNIS: Again, it is burdensome and the shackles are really on when it comes to the argy-bargy with the land councils and local government. Yes, it does go to the Crown lands department, but because there is no mix about what the ALA is about usually the land claim is refused over a period of time. The legislation was supposed to be simple, inexpensive and give Aboriginal people the right to claim land, yet 28,000 land claims are still sitting in the system. I was at a meeting in Walgett on Tuesday with a local land council because now they want to extend the levy in the best interests of community members but with total disregard of local Aboriginal people. The claim is refused on the grounds that the land is for public use, but the land claim had been sitting there for 15 years. As I said, there is no common ground. It is not State Government and we have little to do with the Commonwealth; it is at local government level. If we are fair dinkum about economic development and the voice of Aboriginal people, we need to be able to come to common ground, as Mr Gordon said. But we need to sit down for the common purpose of sorting out what is needed for both sides. Aboriginal people, the land councils and communities are prepared to do that, but every policy that we come up against really puts the shackles on Aboriginal people.

The Hon. MICK VEITCH: I go back to the comments that Mr Gordon made around governance structures that have been put in place for his organisation. What was the starting point? Did you undertake an audit to work out the gaps in your governance structure?

Mr GORDON: The starting point was having a strong registrar—thanks, Mr Wright—really having a strong structure in place. To put a strong governance system in place and to ensure separation of powers in a land council structure is tough—to have boards in place that clearly understand what their roles are and that the operations understand what their roles are. I am pleased to say that we have a very strong separation of powers in regards to it and when it comes to operations, the buck stops with me. It is a good system to have but it has taken a lot of time to develop it, it has taken a lot of work in building the trust and relationships up around the table so that people do understand the specific roles that people play.

But, more importantly, it is people then seeing the benefits and the value. What we have been able to clearly demonstrate at Darkinjung is the value of making good decisions and the benefits that then flow from those decisions. Whether it is the developments and the building of the homes, whether it is the schools sponsorship programs, whatever it is, good governance, good decision-making, leads to greater benefit and value to the community. And that is probably the simple and short answer around that. If people were not seeing value, board members were not seeing value, then it is probably a different environment. But we were able to demonstrate that early.

The Hon. MICK VEITCH: Did you adopt the structures out of, say, the Corporations Act at a Commonwealth level? What were the governance arrangements that you put in place? Did you look at the Corporations Act?

Mr GORDON: We looked at what we had to work with, which was the NSW Aboriginal Land Rights Act. We developed governance structures specific to the NSW Aboriginal Land Rights Act and we have used that to its full extent. Are they adequate for where we are right now? Probably not. We probably need to evolve and move to a structure that recognises where the Land Council is right now. Unfortunately, not enough work has been done in that space to recognise land councils as they get to Darkinjung's point, as to how they evolve, or how do they move to the next phase of what land councils might look like.

That will be the up-coming work because you cannot have a land council like Darkinjung Land Council managing \$80 million in assets, then being treated the same as a Brewarrina Land Council. It does not make any practical sense whatsoever, to jump through the same hoops and to be dealt with in the same way. We have restrictions in regards to how we can invest and we are about to challenge those investment strategies at the moment. But we are stuck in 2.6 per cent investment strategies for about \$30 million. We are never going to grow that way.

So there needs to be greater recognition of land councils that have put good governance practices in place, that have consistently achieved outstanding audits, outstanding interim management letters and

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outstanding management letters, consistently being assessed under the New South Wales Aboriginal Land Council [NSWALC] system as 100 per cent for the last five or six years. Those things need to be considered to then allow a land council to evolve to the next phase. Mr Wright may have more to add to that.

The CHAIR: If I can finish on some of the other stuff first because this is a very big topic. Ms Frame, there has been a lot of discussion about an Aboriginal State Environmental Planning Policy [SEPP] or some other mechanism to get through the planning system and some of the problems around it. I am not sure if you want to talk about that. But I know the department has been doing quite a lot in the last year or two in this space and working on other things. Perhaps you would like to give us an idea of what is happening in Planning?

Ms FRAME: There are three significant things that the department has been progressing in the last 12 months that offer, potentially, some changes in the way that the planning system responds to Aboriginal land issues. The first one that is probably not as recognised as it could be, is changes to the regional planning process. Those regional plans are the subject of consultation at the moment. The Far West one is actively the subject of consultation and will be released later this year. For the first time there is consultation with Aboriginal land councils and Aboriginal groups in the formation of those regional plans but, more significantly, with the passage of the Greater Sydney Commission Act last year, the district plans for Sydney are statutory plans. So the six regional plans in Sydney will become statutory plans, which require then local councils to give effect to those plans in their local environmental plans [LEPs]. This means they have to update their LEPs to reflect what is in the high-level strategic plan. There is also the capacity in that legislation to switch that on for regional plans as well.

So you potentially have a much more powerful instrument in regional plans that would require councils to update their local environmental plans in line with land use recommendations, high-level strategic land use recommendations that could well go to very specific consideration of Aboriginal land use issues. So the regional planning process that is underway at the moment, there are some fundamental differences in that process that potentially offer changed responses and outcomes through the planning system.

The other one is that the Department of Planning is leading a group across the New South Wales Government. We have been working with the Department of Aboriginal Affairs and we are leading a solutions brokerage project focused on Aboriginal community lands and infrastructure. So we are convening a group across all of the NSW Government, also working with Local Government New South Wales and with the New South Wales Aboriginal Land Council. They attend our meetings, and talk about what can we do together to try and present some solutions to government around issues of infrastructure in discrete Aboriginal communities where some, as you would be aware, are zoned as super lots under the planning system and do not have the same infrastructure standards that might apply to other parts of the local government area. There are obviously costs involved in rectifying that situation but we are working really collaboratively across government to see what we can do to present some innovative solutions to government around how that problem could be addressed and what opportunities that might also be able to provide to Aboriginal people living in those communities.

The third one that I think is of interest in terms of what you mentioned at the outset about capacity building, is one thing we have noted that has become a big focus for us now in doing this work in the last 12 months is that we could not find a single Aboriginal planner. It is not a deal breaker thing but we felt that there was more we could do to invest in building knowledge of planning in Aboriginal people. So we have actively invested in some programs to try and increase knowledge of the planning system. Most of the other parts of my job involve rebutting criticism about how complicated the planning system is in New South Wales. That is something that is constantly raised. We are aware of that and are working actively to try and simplify the planning system. But we are acutely aware that, for Aboriginal people to use the planning system for their benefit, there is more that we can do to train them in how they can use the planning system and how the New South Wales planning system works.

So we have been working on a few things we are doing in that area. We are working with the University of Sydney that is customising its Planning for Non-Planners course for us, with a focus on Aboriginal people and the use of Aboriginal land. We are rolling that out later this year and intending to roll that out statewide for land councils and for any interested Aboriginal people to come and learn and have training for lay people in how the planning system works, so that people can engage with the planning system from a knowledgeable basis and make it work better for them. Our secretary is going to be conducting some conversations with universities about some cadetship positions for Aboriginal people undertaking planning courses. We are also having discussions about mentoring roles for senior planners and people who have retired from the planning profession who are actively interested in providing mentoring assistance to Aboriginal land councils and any people who are interested in understanding how the planning system can work better for them. That is a really active program of us in investing in building the capacity of Aboriginal people in using the

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planning system. We still want to make it simpler but we think there is more we can do to increase their level of awareness and their ability to engage and get better outcomes from the planning system.

Mr GORDON: Again—and this is the challenge that we have as Aboriginal people, and it is not disrespecting Ms Frame or Planning's position—it is that, even within that short presentation, there is the concept of doing things for us and not doing things with us, bringing the group together in regards to a pilot and talking about opportunities with land councils and opportunities on land, but not engaging with land councils and those bodies that own the land. That is the difference, I guess, in the two roles between land councils and NSWALC, is that land councils own land and land councils have the direct responsibility to deliver benefits to members. So the ones who own the land and the ones who are required to do something with it are not sitting at the table when they are making decisions around policy and programs and so on. That makes it very difficult because we are then trying to feed into it once it has already been developed.

Even with the training programs that I can tell you, over the last eight years we have done submission after submission after submission on Darkinjung's experiences through the Sustainable Land Strategy, through our economic development framework, through our Crown Lands Review, and through our Empowered Communities Report. We have done work after work in this space clearly messaging the issues that we are dealing with but, again, we are not at the table to have those discussions to make sure that our experiences are being fed into the process and that we are not trying to tag onto it later on. I just wanted to message that clearly that we have got to get away from doing things for us and we have to get to a point where we are doing things with us.

The CHAIR: You are at this table, let us hope there is something to eat when we are finished.

Ms DENNIS: Mr Gordon has actually touched on, I suppose, the Aboriginal land rights legislation in the sense that when it was enacted, when it came into Parliament in 1983 each land council is autonomous. So therefore it is through the members, through the board members and the CEO to be able to build the capacity but the compliance and the legislation is the accountability, so around that good governance and being able to manage the assets base, that allows that. The legislation is reviewed every five years to be able to look at how we can really untie the shackles from land councils but remember there are 120 land councils. We would like every land council to be at the level of Darkinjung and other successful land councils. So we have got a piece of legislation really that fits across 120 autonomous land councils. So you know that solution brokerage and the more investments—when we talk about \$80 million of public money, it is that protection that is there in being able to do that. When we talk economic development and managing land we have got to be able to work with the other policies. Each land council is autonomous and should be able to get to that level.

Ms HARIHARAN: Just building on from what Mr Gordon said about departments working with Aboriginal groups and obviously native title holders and that kind of thing, I would like to emphasise from a natives title perspective early engagement by departments. There is a misunderstanding of what native title is and what land rights is and early engagement is truly what will get a better working relationship between the stakeholders and the departments. At the moment, as you would be aware, most proponents view Aboriginal land as a hindrance or barrier to economic development; early engagement is key. In the planning processes, for example, there is a future acts regime in the Native Title Act. Most proponents, stakeholders view the fact that they have to deal with native title interests after a planning process is done as a barrier or hindrance, so much so that we have proponents willing in a mining space to give up parts of their tenements just so they don't have to deal with Aboriginal people. They have gone through the planning process, they have ticked that box, and they don't wish to engage with Aboriginal people after that process. They say, "We have got our approvals." So from a native title perspective early engagement is key and it will help that relationship building between stakeholders, Aboriginal groups and the departments involved. I would really like to emphasise that.

Ms HOLT: Ms Hariharan talked more in relation to future acts so I won't traverse that space. I guess what we would say generally—and I think this is true of land councils but it is certainly true of native title—is that native title outcomes have the potential to provide economic development. There is probably two phases to that: one is engagement with proponents, a mining company or a developer where there might be a specific deal to be done in relation to being able to deal with the native title and get on with their development itself; and the second is in relation to the settlement of native title claims with the State Government. I might talk quickly on those two. I think Mr Perry made the point well that communities are able to build a strong base where they have a starting point and native title can provide that starting point. We have seen in various agreements around the State where communities have been provided with both financial means and capacity in some senses as part of an agreement with a proponent and they have gone on to build wineries, to run caravan parks, to run cultural tourism projects, to have tendering and employment opportunities. So there is a range of things that can derive out of that process and it is the ability for each community in each respective native title settlement to work out where they are best placed to enter the economic development space.

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I guess the other key thing is where they so wish. Not all communities want to use their land base for economic development, so it is probably important to acknowledge that there is a social and cultural base as well. There needs to be, as Mr Gordon would say, the right conditions for people to enter the economic development space but certainly some people would see that certain lands are not appropriate to provide that opportunity. I guess the things that we come across—and one of the things that I think is a tragedy—is that in some cases an agreement has been successfully negotiated with a proponent and a community has not had the capacity to implement that agreement. So there are opportunities there that are going to waste and some of that has to do with capacity—for example, if a corporation does not have at least some feed funding to operate, even basic compliance can be an issue, or all of their available resources go to basic compliance but are not able to then turn to building capacity or leveraging opportunities or in fact ensuring that agreement provisions are enforced. I think that is really, really important.

I guess the other one that we frequently come across is that communities have very good ideas. Obviously residents in their own communities know where there are opportunities but don't necessarily have the equipment or particular things that are needed to leverage those opportunities. So, as an example, I will set out a factual scenario. If a group has reached an agreement with a developer and that agreement might provide a tender weighting, perhaps an additional 5 per cent, towards an Aboriginal company or a company that employs a large number of Aboriginal people to get a tender on a particular project, those projects could have a 20-year lifespan and that could significantly change that community and the course of families within those communities to have ongoing employment that might be multigenerational over 20 years.

In order to apply for those tenders communities may need to frequently have training, frequently have tickets, but may need a concreting truck or may need a range of equipment for a landscaping contract, there are these things that if there was the capacity for funds to be accessed that people could take advantage of provisions in agreements that they have negotiated. Frequently these corporations are too large to attract financial support and, in fact, even sometimes organisations like IBA are too small to be able to garner that kind of support. It may be that if the Government is looking for a very creative solution to create some kind of trust or permanent funding source for economic development in Aboriginal communities that people are able to access, if they want, and perhaps with the assistance of some business planning, can make their case for where these opportunities can be leveraged.

The CHAIR: That is a very important area. Earlier on suggestions have been made that perhaps the Government should be asked to match the \$16 million that the NSW Aboriginal Land Council has already put aside for that very purpose. We will also take on board your suggestion.

Ms HOLT: My only second point, to be made very quickly, is that native title negotiations with the Government in settlement of native title claims also provide this opportunity. So while we are negotiating Indigenous land use agreements for the settlement of native title claims, we frequently talk about business opportunities and contracting opportunities that exist at a government level and, again, we strike these capacity issues arising. So I think that is certainly something where the Government may be able to look at the way in which contracts are provided and how government works could be leveraged for development in communities.

Mr GORDON: I am happy to quickly add to that. The difficulty again around not even trying to create their own economic development opportunities but even trying to deal with mining companies, we have got a mine that continually keeps popping up on the Central Coast—Wallaharah 2. They have just recently lodged an amended development application, which is okay; we would never publicly come out and oppose the mine, other than trying to protect our interest in our land. When you undertake an Aboriginal impact statement, the problem with the Aboriginal impact statement is that companies only view it from the perspective of culture and heritage. Right now, where this mine is being proposed, we are the largest private landowner, we are the largest industrial zoned land up in that area. We have land already passed through gateway for 700 residential lots. But in a statement that has just been put in the Aboriginal impact statement it says: "Impacts on highly significant Aboriginal heritage sites have also been shown to affect the wellbeing of the broader Aboriginal community. However, no Aboriginal sites of high significance are predicted to be directly or indirectly impacted by the project. Consequently, no economic implications associated with the heritage have been included in the CVA".

The issue is when you are the largest private landowner we are not talking about heritage impact; we are now talking about economic impact to an Aboriginal landowner, we are talking about social impact to an Aboriginal landowner who is undertaking economic development to provide social benefits back to our community through housing, jobs and business development and so on. So even the legislation right now around Aboriginal impact statements is only focused on heritage, particular sites. That needs to evolve to start to include what is the economic impact to land and what is the social impact to the Aboriginal community if that mine were to get up. That, again, is just a flaw in the system that does not go far enough to recognise Aboriginal land ownership. It also needs to go further to say that Aboriginal people may choose to develop that land, they

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may choose to keep the land, but it is not up to others to determine whether or not that land is only of cultural significance. It is just a flaw in the policies that just do not go far enough to acknowledge our ownership.

The Hon. PAUL GREEN: Yesterday the Department of Planning said that environmental attributes are not made based on the owner of the land but on the environmental values of the land. Do you have a comment on that?

Mr GORDON: The difficulty is if it is not based on the owner of the land then, again, we may as well take that little blue book that we put out in 1983 and throw it away, because the reality is for Aboriginal people—I equate it back to Cathy Freeman when she ran the Stawell Gift; she started from a 60 metre marker. We are starting from the 60 metre marker. We will catch up at some point but right now we are probably still 40 or 50 metres behind where the rest of the industry is, whether it is development and social, whether it is the development industry that communities want to go into. But whilst we are catching up we cannot continually jump through these impediments. Governments are happy to lock our land away for conservation based on it being former Crown land, but then when it comes to recognising our ownership of it it does not make sense to have this piece of legislation that is there to empower us.

The Hon. PAUL GREEN: So the Aboriginal people should be able to come to a place of putting what they think the environmental attributes are according to their history and culture and social outcomes.

Mr GORDON: We should be able to determine what they are based on, what the Land Rights Act was set up for. It was set up to give Aboriginal people land back for dispossession and to build an economic base. If we put other impediments on top of that before we even get to those two points—

The Hon. PAUL GREEN: That is another point. One of the issues is that when those zonings and planning instruments were put over those lands the Aboriginal community was more than likely not involved in that process anyway.

Mr GORDON: Alison spoke about regional plans, growth plans and a whole range of things. If we look at the reality of where our communities are right now as Aboriginal landowners and you look at the Crown Lands submission—I think two land councils put a submission into that—you look at this inquiry in itself, one land council put a response into that, an actual written response. Our land councils are so busy just trying day-to-day to provide a service to the community that we are not resourced and we are not in a position that we can continually respond to growth plans, regional plans, strategies, conservation corridors and so on. We respond to them but we are resourced and we have got capability and capacity to respond to them. How do other land councils that are not in that position respond to those types of plans and the cost involved in doing those plans?

It is not just a desktop study, it is doing the environmental ground-truthing to really push back, because you are actually pushing back against the Government. The Government is saying, "No, that is conservation land"; you are pushing back and saying, "No, it's not." So you need the evidence but the governments do not need the evidence, they do a desktop analysis of the land—we have to provide the evidence to push back. Just in the north Wyong lands alone we have spent millions of dollars to fight to get that land to the position that it is now.

The CHAIR: That resourcing issue was what Ms Dennis and I were talking about a little bit earlier.

Ms DENNIS: That is what I was leading to. The legislation was set up around compensation and to remedy the dispossession of Aboriginal people. Sean has probably talked about, particularly with Darkinjung, having to address and go through all the policies and procedures. The same thing applies with Brewarrina or Enngonia or Wilcannia, and they have not got the capacity or the resources to be able to do that. Only now we are getting to be able to deal with companies to go through that economic development stage. I worked 40 years ago chipping in the cotton fields. We were not a threat to any industry as Aboriginal people because we cleared that land for 2¢ an acre—that was what we were paid. But now, we are using the mechanisms that government has given us to be able to remedy these things and we are sitting at the table now to be the owner, to be the voice and the destiny for Aboriginal people. Again, the policies change and the goalposts shift and we have to be able to work through that. Naturally, companies are going to come up and say that's not allowable because we could offer that work—slave labour—30, 40 years ago, but now we are in a position to self-determine for our rights.

Mr GORDON: Also, to add to that—and, again, this is really for Alison to take on—when the LEP was first done in 1972 and 1974, the first time it really came up for review where there was an alignment of LEPs was a couple of years ago. The Aboriginal Land Rights Act did not come into place until 1983, so we were not a part of the early development of the LEP. How many land councils were in a position to even respond to the revised LEP when it came up? I dare say not many—maybe one or two probably responded to it. There still was not proper engagement to try and get those land councils to the table to understand how they would like their land managed or how they would like their land zoned moving forward. In fact, I would

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probably say that a large number of land councils' land during that process went from a zone that they could possibly do something with to some sort of E1, E2, E3 type zoning to where it is now completely locked away and it would cost them a small fortune to try and get it converted back to something that is of use.

The CHAIR: We are going to get to the end of the session too fast. Mr Brouff has been good enough to come and talk to us once before, so if he has anything he thinks he should add we would really love to hear that. Then I want to spend a bit of time talking about the land councils and the structure. Mr Wright might want to introduce that and talk about that.

Ms HOLT: Hema and I might go through just a few brief points together. I understand time is short. I want to pick up on the point made by the Deputy Chair, Anne Dennis, about shifting goalposts and engagement. I think a fair point to be made for companies' engagement in Aboriginal communities, be that through land councils or prescribed bodies corporate [PBC] and native title groups or other organisations may be an area for the Government to ensure minimum standards of good faith and minimum standards for meaningful engagement. I think that in some cases for a larger number of companies engagement with communities is seen as a box that needs to be ticked as part of a process to achieve their ultimate aim. There are some companies—I will not tar everyone with the same brush—who genuinely engage in good faith and see that as part of their social responsibility package. But I think this would significantly improve the kind of outcomes that can be reached and people's capacity to participate in that process.

Just very briefly, in terms of native title outcomes and engagement with the State Government to reach an outcome and leverage opportunities, there are probably some major issues that we are finding. It is common place interstate for other State governments to support prescribed body corporates, PBCs set up to manage native title. We know that there is obviously funding through the land council system for local Aboriginal land councils to operate, and allow them to achieve the kind of the things that Darkinjung has been able to and to build upon. But Prescribed Bodies Corporate Native Title currently receive no support funding from the State Government. In some other States they receive hundreds or thousands of dollars in support. That can be for both set up of those corporations and for their operation for their governance. That would go a long way to making sure those corporations can actually leverage their outcomes to achieve economic development opportunities and conversely if they do not have that support it can lead to them not being able to leverage those outcomes. That is one point.

Perhaps another is the amount of time that is dedicated to native title outcomes. Commonly we are seeing native title outcomes take between 15 and 20 years. It allows some third parties to play wedge politics between land rights and native title. It means that the community is constantly spending its time and energy focused on trying to achieve a native title outcome which could be better spent trying to look into the post-determination space about where that can go. I think that is probably an area where the Government could save money by reducing the time native title determinations take. The court has clearly indicated it is not going to tolerate it but it will want the times to be reduced so it might perhaps be a combination. But that funding devoted to pursuing native title claims over such a long period may be diverted to the kind of economic development opportunities that you will be exploring.

Ms HARIHARAN: I think Mishka has covered it all.

Mr PERRY: How many determinations are there in New South Wales?

Ms HOLT: We have eight at present, so far behind the rest of the country. We estimate there may be as many as 50 native title claims still to come in New South Wales.

Mr PERRY: All of those took 10 to 15 years?

Ms HOLT: Yes.

Ms HARIHARAN: I should mentioned one thing. With the future acts regime, native title claim groups get certain procedural rights when they have registered native title claims and it is all to do with developments on native title claimable land. I will say there is an issue in New South Wales regarding the issuing of notices. Essentially all claim groups have the right to be notified of development occurring on their land. They have a right to comment, a right to be consulted and a right to negotiate. These notices are very far and few. I think there is a misunderstanding of what native title is, and what the future acts regime is. I believe there needs to be a better education communication strategy amongst departments as to what native title is.

A lot of the time native title claim groups are not getting opportunities that they should be getting in the economic development space because they are not receiving a notice that this is occurring on their land. But they actually have a right to negotiate and to consult and comment on the project or the activity. It is only the work that we do at NTSCORP where we have to actually search gazette notices and things to actually find

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where these developments are occurring, and chase up the State Government for the notice. It is actually the responsibility of the State Government to issue that notice in the first instance. That is something that I would like to raise with the department.

The CHAIR: I think you just did.

Mr PERRY: So native title has not actually developed economic development in New South Wales and native title has not really helped the Aboriginal communities for economic development in this State in a sense. But it also divides family as well and communities and that is a problem if we want to grow economic development in New South Wales.

Ms HOLT: I might clarify, there have only been eight native title determinations made in the State so far. There have been a large number of mining agreements, agreements with developers and Indigenous land use agreements. So there have been a range of other successful outcomes for native title matters. But, of course, like all systems there are inherent issues.

Mr PERRY: If you live at the coalface like I do, I will tell you now it divides Aboriginal families, it divides communities. How you bring them two parts together from a land council's point of view as well, good luck, because you will be sitting here in Sydney and we will be at the coalface copping it.

The CHAIR: You are not the first one to raise that issue.

Mr PERRY: It is a very important issue the State Government should look at.

Mr BROUFF: I will be very brief. I want to reinforce that my unit is responsible for the investigation of Aboriginal land claims under section 36. It is unfortunately very complicated and does take time. We have been working hard to try to improve our processes and streamline things as much as possible. We are, believe it or not, making some progress—it does not feel like it sometimes. We have been trying to make some efforts to engage with other agencies to help them understand what the Aboriginal Land Rights Act is, and how it works. There are five desktop criteria that are relatively straightforward to do in the process that we go through. Three criteria require a level of consultation with other agencies and that can sometimes take time to get the responses back. And that is one of the reasons we do that engagement with them to try to help them understand what it is we are asking, and what sort of information we are seeking.

We have had situations obviously where we have sought information, they have given us part of the story and we have to go back and back to get more information, which can also delay the process. One of the other challenges for us obviously with so many undetermined lands claims is where do you start? Which one do you determine at the end of the day? Where we operate at the moment is we look to try to determine the oldest 1,000 claims. There are times where agencies and other government bodies seek prioritisation of land claims, which we do. We have a regular meeting with the NSW Aboriginal Land Council Land rights unit. We certainly encourage if any land council has specific land claims they are interested in prioritising for assessment that they raise it with us. We certainly would be more than happy to prioritise it because it makes sense for us to be working on things that will provide some benefit factor to land councils.

The CHAIR: Mr Gordon has a few for you.

Mr GORDON: I do.

Mr BROUFF: We have engaged with Cobbora Land Council. Darkinjung has raised some with us, absolutely. I am speaking with Ted Fields up at Walgett at the moment who's doing some work to try to identify some land claims. I am certainly more than happy to try to work in that space where we can. I suppose the challenge for us is that it is a statutory requirement and very little discretion is applicable. It is sometimes hard and occasionally you will get an outcome that probably is not the best for the land council but we are restricted by the legislation and how we can apply it. And the courts have fortunately provided some clear guidance and case law about how we apply and interpret things as well too.

Mr PERRY: Why would land with an AP on it be fast-tracked from the bottom to the top because of a claim by a land council?

Mr BROUFF: Do you mean in terms of the Aboriginal land claim investigation?

Mr PERRY: Yes.

Mr BROUFF: I do not know the specific circumstance. Often they will be raised with us or other agencies for a range of reasons—Roads and Maritime Services might want to upgrade a highway, local council might want to build a sewage works or something like that. I do not know the specific circumstances so it is difficult for me to comment.

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The CHAIR: Mr Perry will you forward me the details of that matter?

Mr PERRY: Yes.

The CHAIR: Mr Wright, we have heard from Mr Gordon about what level his organisation is at, and Ms Dennis has also commented on that. Other people have raised issues in evidence about the operation of land councils and some of the anachronistic requirements of monthly general meetings, or whatever it is, other administrative requirements and conflicts of interest particularly where members of land councils are also tenants et cetera. Mr Gordon raised the investment issue.

I will leave it to you to tell us, or give us information that you think we should have.

Mr WRIGHT: Thank you. Firstly, I acknowledge the Aboriginal people on whose land we meet today, give my respect to elders past and present, and pass on my family's best wishes to all the Aboriginal families who are gathering today. Secondly, can I thank the Committee for the work that it has done in this inquiry. It is quite a revelation in 2016 to look at the land rights and native title agendas through the lens of economic development. It is very important and it is very timely. I think one of the most interesting macro issues for me is if you look at the Land Rights Act in New South Wales, which was born of the Northern Territory Land Rights Act to some extent and the long-past agenda of national land rights, it was a rights agenda—and it was a very successful rights agenda. It is legislation of which successive New South Wales parliaments and governments can be very proud.

The number of land claims lodged, while troubling in terms of administration, is a great triumph for the New South Wales Parliament's commitment to remedying Aboriginal dispossession. Likewise, the native title rights agenda is a wonderful and globally significant success for the Commonwealth of Australia. It is interesting that what we are dealing with now is the complexity of those maturing rights agendas, particularly in relation to land. When we talk about land as an economic resource, as a cultural resource, or a social resource, we are talking about a very deep contemporary history built on a very, very deep ancient history of traditional cultural authority and rights, which are now deeply embedded in the Australian law—in the New South Wales law and the Commonwealth law. I make that very broad statement only to say that when we talk about economic development of land in New South Wales, we are building on this very long history of embedding Aboriginal peoples' rights to land in our law. With that, inevitably comes complexity.

There are inevitable complexities between the rights of land councils in land in New South Wales and the rights of native title holders of claims in New South Wales because the Anglo-Australian law has a separation of authority between the Commonwealth and the States. Those issues directly are related to how economic development on Aboriginal land in New South Wales will move forward and they are critical for State Crowns, for State governments, to bear in mind across the whole of government when considering how to promote economic development in land. I offer that broad palette first because I think it is really interesting that we are coming to these issues of economic development. They are in fact deeply embedded in the rights agenda, which has a very long history in New South Wales.

I will quickly segue to answer a specific issue or comment on a specific issue. I think our State Environmental Planning Policy, which directs consent authorities, whoever they may be, to acknowledge and deal with Aboriginal interest in the land before them is a very, very important administrative matter for New South Wales—simply to put on the table directly for all consent authorities what those issues are. We have seen over time not acts of malevolence by consent authorities but essentially acts of ignorance in not understanding what rights they have not considered when making planning decisions. I come back to your issues about, effectively, matters of governance. The Land Rights Act has gone through a number of iterations since 1983, as we know, and will continue to go through iterations. Amendments arise from time to time and many of them are focused on matters of governance. What is the best governance system in the world? I do not know. How many governance systems are there in the world? Many. Are others better than some? Yes. All of those platitudes can be put.

The CHAIR: Now, now—you are not Churchill.

Mr WRIGHT: But the point I am trying to make is that there is a governance structure in New South Wales for land councils. It does lean heavily on the Land Rights Act itself and increasingly that has become complex because of the nature of the activities in which the land councils are engaged. One of the old anecdotes is that as land councils mature, as some have—and in fact there are native title corporations and Aboriginal corporations such as Mr Perry's—assets increase at the disposal of those corporations. The legal issues surrounding the proper stewardship and use of those assets becomes important, and governance becomes more complex. Most of that has been embedded in the Land Rights Act over time. Yes, that regime has become in some land councils' minds burdensome; however, where that balance sits between the burden of compliance and

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the freedom to engage in economic development I do not think will ever settle completely. It has not settled in other sectors: Why would it settle for Aboriginal corporations?

I think what is important is that it is recognised that the structures in the Land Rights Act will continue to evolve and will continue to address issues as they arise, but they will never be a perfect remedy to governance issues. You raise the issue of conflicts of interest. There is a very direct management of declarations that are necessary for disclosures of pecuniary interests in the Land Rights Act that apply to land councils, and they are very similar to those that are applied to local government. This raises another issue. Many of the compliance requirements in the Land Rights Act are pendulum swings over time, Chair, between those governance requirements or those land council structures. Are they public institutions, or are they more private institutions? Effectively, land councils are private statutory corporations that are subject to a range of government controls rather than wholly public institutions.

When local government standards are applied, they might look good and they might operate effectively, but the question always needs to be asked, as raised in your discussion paper: Is that more appropriate, or is there a need to move towards a Corporations Act model? Again, I do not think that there is a right answer to that. I just think it is a very important issue on which to maintain a focus over time. The conflict of issues matter that you raise can often be very difficult for land councils and other Aboriginal corporations because of familial relationships. In private companies that are run by a father and son or a mother and daughter, those issues are very direct but are not matters of concern to the corporation. For the land councils they can often cut across what is an adherence to democratic process—a member-driven process—and what can then be implications for families within that member-driven process.

There can be no doubt that land councils particularly remain member-driven organisations. One of the old anecdotes that used to be used or can be used is that the difficulty arises when a member-driven organisation looks like a local dysfunctional parents and citizens [P & C] governance model or a local tennis club model, but may in fact have extremely valuable assets under care, control and ownership. Those issues need to be carefully responded to. There is no doubt in my mind, particularly for Aboriginal land councils, that governance will become more complex because their engagement will become more complex with the economy. It is undoubted.

The same will happen for prescribed bodies corporate under the Native Title Act. It is very important to remember that that group of Aboriginal corporations, along with many others, all have to engage in New South Wales on the terrain of economic development within a variety of corporate structures. Complexity is my message, Chair, and attention to complexity by the State Government is, as difficult as it can be in any context, very important. Essentially, the issue of economic development in land in New South Wales in relation particularly to the Crown estate is a direct issue now between the Crown and Aboriginal people, first and foremost—potentially, Chair, even before you get to the issue of public and private landholdings. I think an appreciation of that is a critical issue for dealing with many of the smaller, more direct and place-based issues that arise. Thank you, Chair.

The CHAIR: Mr Perry, are you happy for us to make public those documents that you tabled?

Mr PERRY: Yes.

The CHAIR: Ms Dennis, did you want to respond to anything that Mr Wright raised?

Ms DENNIS: The Aboriginal Land Rights Act is a mechanism that allows Aboriginal people to access land through a legislative process. It builds capacity. It is place-based. So communities in Sydney, Wilcannia and anywhere in New South Wales have an asset base. The membership have found the legislation to be complex, but we need to build more capacity and value people more within community. It is not that the Crown lands legislation is more powerful than the Aboriginal Land Rights Act.

As Mr Gordon said earlier, there is no mention of the Aboriginal Land Rights Act in the Crown lands legislation. It needs to go in there; it needs to be a part of it. If we are excluded from the Crown lands review then we will continue to be having this discussion in the next 20 years. There might be a need for a variety of corporate structures within communities because of families—I am referring to what the Registrar is saying—but when we look at a place like Weilmoringle we see that it is one street with 21 houses. Who is living there? The Aboriginal Land Rights Act provides a structure. It is about good governance and about Aboriginal people providing a solution—brokering a solution—to address the issues within that community.

Yes, the native title legislation is complex. That is Commonwealth legislation. The Aboriginal Land Rights Act is complex. That is State legislation. We have a partnership and a memorandum of understanding. We are the traditional owners; we are talking about the same people, so we can sit down and talk about that in community and come to some kind of solution or brokerage about access and use of land.

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I can see some low-hanging fruit there. Local government or Roads and Maritime Services may want to push through something because they want a piece of land. That provides an opportunity for there to be a State environmental planning policy [SEPP] to bring everybody to the table. A piece of land may have been under land claim for 20 years but all of a sudden, now, that is disregarded. Either the legislation is there to support Aboriginal people and work this through, and compensate and remedy the dispossession of Aboriginal people, or we come under every other law. To me the mechanisms are there; we just need to have a workable approach within community.

The CHAIR: We have come to the end of our time. It has been extremely valuable. Do any Committee members want to raise anything? I can see that they do not. Would any of the panel members like to wrap up any issues?

Mr GORDON: One of the things that we have pushed in our submission is a caveat or a condition on title once a land claim has been made over a parcel of land. That caveat would identify that it is under claim and that it needs to be dealt with through the proper process.

Mr Wright spoke about the structure of land councils. Darkinjung Local Aboriginal Land Council was in trouble prior to my coming on board. It was under administration. I deliberately set out, as the chief executive officer of Darkinjung, to run the land council within the requirements of the Aboriginal Land Rights Act to demonstrate to land councils that you can undertake developments and you can do the business of a land council within the requirements of the Act.

Where it becomes burdensome—where we are right now—is that the Act is now asking us to register every community benefit that we provide as a community benefit scheme. We provide hundreds of community benefits. To register every one of those and to go through a community benefits scheme registration is ridiculous for something that you are established to deliver. We have our school, housing, NAIDOC week, NAIDOC balls, sponsorship. That is where there is a burden. It introduces a bureaucratic process to something that the land councils were set up to deliver, regardless.

So we should not be putting those types of conditions in place because it makes organisations reconsider whether to go so far as to provide benefits if the process of registering under a community benefit scheme is burdensome. Those types of things mean we are starting to question how we move forward within the current constraints of the Land Rights Act. So maybe the next place for Darkinjung is to find something that takes us out of that constant reporting and the tedious processes that get us caught up in bureaucracy rather than delivering benefits to the community. This community benefit registration process is starting to be rolled out now across land councils.

The CHAIR: Thank you. Your point is good.

Mr PERRY: I want to touch base with respect to what I have heard today. I have never been to one of these hearings and I have enjoyed coming to listen to it. I agree: at the end of the day, in New South Wales we are all Aboriginal people and traditional owners. We have not gone; we have descended from these people. The Acts are dividing us. That is what you need to understand. These Acts need to be tidied up more, as has been suggested earlier.

You also need to listen to what we are saying and understand that we are trying to grow economic development in Aboriginal communities in New South Wales. I have an example here of a land council that has a lot of money and a lot of assets and a lot of land. It is working, but not all land councils are like that. We need to look at how they can create their own economic development in their communities. The Department of Lands, Planning and the Environment is probably trying to do great things but there are issues. It is impacting on how the Aboriginal community can grow. There have been proposals about training and the other things that Ms Frame put together. Does that sit with me? I do not know; I do not think so, because our organisation is not a big planner or developer.

The Land Rights Act needs to be looked at seriously with respect to Mr Gordon's suggestions. I believe the Acts administered by the Office of Environment and Heritage need to be fixed—and fixed as soon as possible. I know that the Minister has not met with ALCHEC for the last year or two but now they are meeting. For Aboriginal people to work together and to grow together we need to understand the issues that the Government is throwing at us all the time. And it needs to be simplified if you want the Aboriginal people and the economy to grow.

The Acts are really governing us Aboriginal people in the communities at the moment. The corporations are governed by the Office of the Registrar of Aboriginal and Torres Strait Islander Corporations and if the native title groups come in and compound this left, right and centre with respect to the Wonnarua

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traditional boundary area then we are going to start fighting again. We will be arguing again about who is Wonnarua and who is Kamilaroi et cetera. This is what we do.

You need to listen to us. You need to understand it. I would love to come back and talk more about this—to give a progress report. We need to look at effective management for Aboriginal people and the State Government to make this State the best State in Australia—from a tourism point of view and from an economic point of view. We need to look at every aspect including education, the prison system and the lot so that we can grow this State.

The CHAIR: Thank you. We are with you. Thank you very much; that has been really valuable. I hope it has been of interest and value to you as well. We appreciate your giving us your time and being so open with your thoughts and to discuss in such an open way some of these tricky issues. Hopefully we will deliver some sort of report that makes a little bit of a difference and helps push us along the road that we all want to move along.

(The witnesses withdrew)

(Luncheon adjournment)

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RAGHU VENGAT, Senior Business Manager and Product Development, Indigenous Business Australia, on previous oath

GERARD NEESHAM, Chief Executive Officer, Clontarf Foundation, sworn and examined

ROBERT WALDERSEE, Executive Director Corruption Prevention Division, Independent Commission Against Corruption, affirmed and examined

LAURA BERRY, Chief Executive Officer, Supply Nation, sworn and examined

DEBBIE BARWICK, Chief Executive Officer, NSW Indigenous Chamber of Commerce, and Chairperson, First Australians Chamber of Commerce and Industry, on previous oath

TANYA ELONE, Manager, Banbai Enterprise Development Aboriginal Corporation, sworn and examined

DAVID COLLINS, Executive Director, Training Services NSW, Department of Industry, affirmed and examined

The CHAIR: Thank you for your time and interest and your open, genuine and informative commentary. I acknowledge the Gadigal people, who are the traditional custodians and owners of this land, pay respects to elders past and present of the Eora nation and extend that respect to other Aboriginal people present. This is the last part of our hearing today, the final part of our information gathering for this inquiry. Earlier today a panel looked at coordination and how the Government should work in relation to other stakeholders in economic development to aid development in Aboriginal communities. The second panel was focused on access to land. We hope this panel will focus on building capacity within Aboriginal organisations in the context of economic development. However, you are free to talk about what you want to talk about.

There are some formalities before the hearing commences. I mentioned things like broadcasting and parliamentary privilege earlier today. This inquiry has gathered a lot of interesting material, much of which we have known about for some time. We have heard that we are living in a time when people are interested in addressing some longer term issues. Certainly, in the New South Wales Government there is an appetite to push forward. Today we are not looking for repetition of the problems we know about, but at your suggestions particularly in terms of capacity building and whole-of-life development and engagement. We are looking at how we might take a few steps forward. That is the context, but we want open engagement. Committee members may ask questions, but this session is for us to learn from you. Mr Neesham, please start because you are in the whole-of-life sector that plays a major part in this.

Mr NEESHAM: Obviously, education worldwide is a given, that young people should access it and gain a great benefit from it. Hence our massive investment as a country, Australia, in our schools and teachers and everything that goes with it. I am a teacher by profession, although I have not taught for quite a while now. My two daughters are teachers, and I fell back into teaching in 1999 after being out of it for 16 years. I started at an Aboriginal college in Perth, and found the kids were not attending what I thought was one school, the first one I was at. Then we set up a program to attract them and get them to attend, and it worked so we started a second programme in Kalgoorlie. What has really transpired in our country is that somehow over the last 30 years there appears to have been a massive disconnection from school, and it has been repeated—if your older brother or your older cousin is not at school then it becomes the norm. Then kids become not unemployed but unemployable.

From our perspective—and we put a paper to the Committee and thank you for letting us do so—that is equally as big a thing economically as anything else. You cannot be a businessman unless you have some good education; that is something you have to have. My boy is 29 years of age—I am not an Aborigine and he is not either—and he has decided he does not want to work for anyone else, he wants to work for himself. He has worked for Multiplex and a number of different companies; he has been through university. My youngest one will not. I believe the single most important thing for the future of our country is that we make education a destination for all our kids—in our case it is Aboriginal boys—and that they benefit from the enjoyment of being at school. That is what Clontarf has done. We did not set out to engage to this level, but we have found that in every corner of Australia there has been the same outcome—basically 95 per cent of Aboriginal boys disengage from school before they are ready to get a job.

Making jobs is not the answer; we have proved it is not the answer. The real issue is to actually change that trend and make them work-ready and stay at school. We have independent evidence that we have a big impact on the incarceration rate. Our boys have 66 per cent less contact with the justice system, and that paper was externally done. In New South Wales we have 1,350 boys in full-time mentoring and the scope for New South Wales is 5,000. New South Wales is not near as dysfunctional as some of the other States that we are in.

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You might think Wilcannia is pretty difficult, but it is not near as difficult as Fitzroy or Halls Creek or Tennant Creek or other joints. You do not have remote communities. So you actually have something that can correct very quickly—if you can get the kids to stay at school. That is the part we play. We get them to stay at school and once they stay at school, they start to get their confidence in being able to do the other part of it.

We do have an issue, and I will put it on the table, that in New South Wales we fund our program a third Federal, a third private, and a third State. Right across Australia the one third has been funded by the State. But what has happened here is that, because of the Gonski model of education, it has been expected that half the money i.e. one sixth must come from the principal. That has been very problematic and has caused us to progress quite slowly. If the money was available, virtually every principal we talk to would have the program tomorrow, because it does keep those kids in school. In a lot of ways it is easier if Aboriginal kids leave school because the anti-social behaviour goes out the door then. That is the truth. They come in and they are wild, angry and quite violent in some instances. The sooner they are out of your school, the better it is. That is not going to work for the long-term future because they are going to grow up. You have to keep them in that gate and you have to get them through to the end of it.

For us, that is where we are at. We have the potential to grow quite quickly. We have virtually as much Federal money as we want, so we bring two-thirds of the money to the plate. And the private sector has been very keen to engage in this because, when we finish with the kids at school, we place them into a job. We have 90 private sector partners and they all have a desire to engage young Aboriginal people. So we stay with the boys. When school finishes, that is the end of school but we never finish with them. We are a safe environment for them. They trust us as they have a relationship. That relationship allows us to place the boys into a job. We have been placing them into the workforce since 2002. We placed 16 boys in our first year. We have 400 boys in Year 12 this year, 650 in Year 11 and 800 in Year 10. That is without growth in new academics.

Probably, if you did the rest of New South Wales, you could have 800 boys every year leaving Year 12 and you could have that within 10 years. They are not numbers I am making up. My chairman is an engineer and he only agreed to be the chairman of this little venture if we measured everything. He said, "I am not interested in helping if you do not measure it" and so we have measured every day of attendance since we started of every boy, the retention, the retention to the workforce and we have gone back to do as much back research as we can to see where they are. So, we are at the bottom of that big bit of ice with the bit under the water and I think all the other initiatives are very important, the strategies that we are trying to develop as a country, but education is also very important.

The CHAIR: Thank you Mr Neesham. Mr Sam Jeffries, who was talking to us earlier this morning said that the best economic strategy is get the kids educated from preschool through to job and you are doing a big part of that. Ms Elone, maybe you can tell us a bit of your experience.

Ms ELONE: We employ 16 Aboriginal people and we found that school leaving was part of it. So what we tried, for how to get them to stay in school, was to have one day with the rangers on our property and that encouraged them to stay in school. We help them and mentor them through the process of doing work and staying at work, getting up early, and having a purpose to get out of bed in the morning. So it is a safe environment for our rangers. We also get them back out on country. We found that the rangers—because we have a lot of younger people—they have done better when they were out on country because they had that connection to the land and it made them keen to want to be out there. And part of it was, you had to finish school or get to at least year 10 level, to apply for a job at our business.

The CHAIR: One of the things the Committee heard was when we went up to a coalmine that had a target of 12 per cent of their workforce being Indigenous. They had exceeded the target when they started and thought they were doing really well but about 15 months in, they lost half the boys. They discovered that one reason was that some were out of country, so they got lonely and went home. Another reason was that some of them were faced with doing their first tax return and they did not have the skills to do it and just tossed their hands up in the air. David, maybe you can give us a bit of background on what is happening in terms of training, job readiness and so on in regard to what Ms Elone was just saying?

Mr COLLINS: Training is an important part of economic development. What we see is the power that it has to really transform lives and to provide an opportunity for people to engage with employment and the like. What we do know though is that the training itself is often not enough but we need to look at how we can align what we are doing with other services and other support. It is things like mentoring that make a difference.

I noted, when Mr Neesham was talking about school education, he was looking over this way quite a lot. I think what he said does resonate quite strongly. We operate in the post-school environment, so we are dealing with people who are out of school and looking at opportunities to get into work. We are doing a lot. We have got a lot of people who are enrolled in training. Five per cent of our enrolments in subsidised training are

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Aboriginal. We have a significant number of people in apprenticeships and traineeships, which is terrific because that is a combination of training and work, so they are in jobs. But there are significant issues we need to deal with about those who are not engaged and those who need additional support to get into training and, through that, to get into jobs.

We need to work closely with community organisations and with other service providers to provide the sort of support that is necessary to ensure that everybody is getting the opportunity that that training can provide. But we also need to be working more with our counterparts in education to see that people are getting that foundation through education. Following the introduction of the opportunity, choice, healing, responsibility, empowerment [OCHRE] strategy, we had the responsibility of working to implement the Opportunity Hubs program. That resonates very much with what Clontarf has said and with what Clontarf is doing. That program came from communities saying that there is a real need for those outside the education system to reach in and to work with young people in education. There is a need to demonstrate what pathways are possible and to coordinate the sort of supports that might be needed to ensure that young people have the support to participate and progress through school and, through that, to then achieve and to make a good transition into further training and employment.

The program is still preliminary with four pilots operating across the State. Those pilots that are not trying to duplicate what others, such as Clontarf, might be doing but are looking to see how they can coordinate those sorts of services and demonstrate to young people who often may not have a role model or have that template that says: If I work through school, I can then get a job and go further. It shows them what is possible and allows them to see that the school system and the other supports outside the school system, are working together to support young people to progress through school and into further training and employment.

The Hon. ERNEST WONG: What do you find is the biggest hurdle in the way of driving or encouraging those incentives for them to take education or to go into this training? Is the biggest hurdle that they have been remote from the bush or from the family? How do they see it?

This problem has existed for a long time and we want to find out how we can help to make sure that those incentives are really being properly addressed.

Mr NEESHAM: My experience is that once any child—this is not only Aboriginal boys—misses too much school, school becomes intimidating. They become petrified that the teacher is going to ask them a question. My boy is going to be kept in no matter what, I am not going to let him get out of that school. These boys can move, they can just get out of the school eventually. They miss too much school and it becomes daunting and scary for them, so they lash out and get out of the school. We did a partnership in Geraldton 12 years ago with the TAFE. TAFE delivered the education because the boys had missed too much—16-year-old boys with 10-year-old reading ages, so you could not expect to catch them up academically. So we made the school safe. Really, first you have to make the school attractive so they want to go. This is not a case of forcing people and taking money off the mums etc., what we do is to make it attractive. We support everything around and the teachers do the teaching or the TAFE teachers do that.

What we have found is that once you have been going for 10 years in a school, it sounds a long time, the little two-year-old is now 12 and when he looks up everyone is at school, so it has changed. All these schools we have been in now for in excess of 10 years, all the little ones who were just basically born are now going into high school. Everyone they know is in high school now but they do not know that there was a time when you were not in high school. We have seen that change. That fear of education when you miss too much is their biggest thing I see. People think that it is NAPLAN or it is the wrong curriculum. All those things are nonsense; the curriculum works. After everyone's study of education do you know what they found to be the biggest single impact on education? Attendance! Hallelujah. So getting them to school and feeling confident. A government school nearly looks like—if you went over to St Joeys now and took all the ovals and men away, are all those boys going to go St Joeys because of maths and English? That is what we have turned government schools into across Australia—unattractive places. What we have done is to make it quite attractive. We have made them look like St Joeys or Riverview really except it is out at Bourke and Brewarrina. The highest attendance of any school in New South Wales is at Brewarrina. Brewarrina looked a lot like Walgett when we walked in and all we did was to put Charley McHughes and a few other fellas there, and they did all this rich activity.

The CHAIR: We have two ends of the spectrum here. The obvious one is getting an education. We have seen from Clontarf and other examples that we can really make a big difference there. We need to build on these successful programs. We also need to make sure that we are not trying to reinvent the wheel all the time; rather, doing the things that are working. However, we note that there is a bit of a gap in education for girls. Does anyone want to comment on that?

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Ms BARWICK: We have got a relationship with the NSW Minerals Council and I sit on a steering committee under their industry-based agreement with government. One of the areas that we were looking at was the work of Clontarf and the wonderful outcomes that were being achieved, but we also can't forget that we have girls in our society and we need to be supporting our young women. In fact, the incarceration rates for young women are becoming really appalling. We need to be looking at both sides. So we have been looking at a number of small programs that are working. I am pleased to say that the Minerals Council is working to try and get a program better resourced so that it can start working in New South Wales with some of the girls in some of the schools out at Tamworth and so forth. So that is good news.

One of the things I guess I wanted to ask, and one of the things that we looked at with this particular program with the girls was: What work is being done to support communities to become a player in keeping the kids at school? Building that capacity within the community so that if Clontarf is not there or the girls' program is not there then our communities are actually able to do the job and keep the kids in school. We haven't been able to answer that yet. I don't think the girls' program currently does that and I am not sure how much Clontarf does. That was my question for Mr Neesham.

Mr NEESHAM: We can put a program into a town as long as there are 40 boys because we gear up one fella to 20 boys, we won't put one on his own. So you could probably do every town that there is to be done—Dareton, Wilcannia, Griffith. Basically we could have the whole of this State covered but we couldn't do Warburton or Balga or Billiluna and these places out in the desert in Western Australia, they are just too remote and what we do doesn't work there. We are mindful of that. What we find is that we work a lot with the mothers because they are the ones sitting there holding the can with the kids. So we enable them to get their kids to school by working with them and talking to them. Our blokes are there every day so they develop a relationship. On the girls side, I think there is a real need for girls' programs. I have got two daughters and a lady wife and they are on my case all the time about it. In our case we are pretty good at doing what we do and we have just had to stick to what we do otherwise we wouldn't be in New South Wales—we would still be somewhere over in West Australia. I think looking and searching for programs for girls is really critical.

I also think that one of the things that I have witnessed across the past 17 years in this space is that we have invented too much. There are just too many programs. My children's growing up was very simple—they went to school, played a bit of sport, they had friends, they did part-time work, they got a job at the end of it and they went on. There weren't people coming into their lives saying, "I am going to teach you about smoking." We have got a million programs and I think that if we actually backed a discrete group of things that really did work it would make it much easier for everyone, particularly the kids. It is very confusing for them. You get some champion footballer who drops in and says, "You have got to stay at school" and he is gone next day. That does not make an impact.

Ms BARWICK: I could not agree more.

Mr NEESHAM: It is a nice photo but it doesn't make an impact.

Ms BARWICK: It is more about focusing on those core values and the things that are going to get kids to want to be in school and creating that role modelling effect over a generation, as you were talking about, and by the time these kids get to high school it is just the norm. I agree.

Mr NEESHAM: And it is the same for health. We give our boys a health check every year. In actual fact everyone around this table, all our behaviour is created by modelling. Our parents modelled every day—day in, day out. That is really all we do—namely, we model behaviour for about seven years. When we get a boy we model as hard as we can into him that he is going to eat correctly, he is going to respect a teacher, he is going to know what right and wrong is, that he values a job. We take year 7 and year 8 boys out to the workforce to start modelling what should be normal for them.

Ms BARWICK: The other thing was that the program we were looking at—and it was pretty much the only one that seemed to be working along the same lines as Clontarf—once they leave school then there is that: What then? So there is that supportive environment during the school years for these girls but then we are actually losing them either in the last year of school because they have got boyfriends or they are becoming young mums or what have you. So one of the strategies, if you like, that we were looking at was how do we start to expose the girls whilst they are going through this program to women out there, Aboriginal and non-Aboriginal leaders, where they are actually getting exposed to what women can achieve in society overall—again, back to that role modelling. So we start to inspire them, connect them with those relationships whilst they are still in a supportive environment so that can continue after school.

The Hon. MICK VEITCH: That is an important distinction. Mr Neesham, the Clontarf Foundation does not walk away from the boys once they leave school; it stays involved.

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Mr NEESHAM: Yes. The reason we do that is that when we had just one academy and our first group of year 12s in 2002 a chap came to see me. He ran an Indigenous employment business and he had gone to see Tim Atherton, the Police Commissioner of Western Australia, and got five positions in the police force. He came to see me and said, "I've got these five positions. Have you got the boys?" I said, "Well, none of the boys want to be a policeman." He said, "You didn't hear me." I said, "I thought I heard you. Ask me again." We went through it and I said, "No, you can leave. Something's wrong." I went home, sat at my table, looked at my daughter and thought, "No-one knocks on my front door who doesn't know my daughter and tells me she's going to be a gardener or something." We created a system that was so removed from the young people we were dealing with, yet we would not allow that to happen to our own children. We worked out straight away—or I did then—that we were not going to leave the lives of these boys, and we have not. We placed boys who were 2003 leavers last week. They still see it as a safe environment. It is a good network. Role models, if they are the ones doing the girls, they have to do that. They gather and get this great relationship.

Mr COLLINS: I want to comment in relation to girls and community that the model the government introduced around Opportunity Hubs reaches out to boys and girls. It works in schools across both. The model was introduced in response to what community told government. The community told government it wanted this sort of support. The pilots that are being trialled have been developed in consultation with local community, and the expectation is that there is a very strong relationship and strong participation from the community as well as from local business within this. What we are trialling there is really something to see whether there is the capacity to tie together community, industry and other service providers to work within schools to assist people to make that transition. It is working with young people, setting up career development plans and providing that incentive to stay at school and to engage in school, and it is also designed to support them once they leave school, looking at whatever job options there are over time.

The other thing is that modelling is really important. An observation: we work a lot with people who are successful through vocational education and training, Aboriginal people who get qualifications and get awards. We run an awards process. We have specific awards for Aboriginal and Torres Strait Islander students. The Aboriginal students who come through this invariably tell us that that is something that they see as a role for themselves—that, having achieved and having got somewhere with their qualification, they see that there is a really important role that they have in modelling and in demonstrating to others within their towns and communities the potential that is there for them.

Ms BARWICK: It is only early days too, isn't it, with the Opportunity Hubs?

Mr COLLINS: With the Opportunity Hubs, very much so. There have been a few settling-in things over time in ensuring that they are engaged both with the education system and with community. There is potential being demonstrated there to actually make a difference and to have an impact.

The CHAIR: Let us move away from the school, education and workforce entry part of this for a moment. We will come back to that. The next part relates to Aboriginal business enterprises and how they can work. To start with a different sort of perspective, maybe Dr Waldersee can tell the Committee about what the Independent Commission Against Corruption has been doing.

Dr WALDERSEE: We have been looking at the issue of governance within the LALC network rather than Indigenous business more broadly. Our perspective is always "How do you make the business function?", which in this case is the business of business, at the same time as keeping the governance. I will quickly elaborate our analysis thus far.

In the LALC system, initially we looked at the elements of governance. At first blush, they are all in place: you have members who are effectively shareholders; you have a community, land and business plan that is effectively a strategic plan; you have a board that is accountable to the members; you have a CEO that is accountable to the board; and you have a regulator that is responsive and risk based. In theory all the pieces are in place, but there are elements to the way they mesh. It becomes what I call a vicious cycle rather than a virtuous cycle. NSWALC, while it is the regulator, also in reality bears a lot of financial risk when things go wrong. Given its limited resources, that has to create a risk-averse organisation. Risk-averse organisations are often centralised. When you are centralised, you become disconnected from the network that you are governing, which is a complaint we heard commonly. The community, land and business plan should in theory produce a set of accountabilities to which the board is held by the membership, but it is often seen as a tick-a-box, so it is not functioning. You have members who are not engaged. There is often very low turnout at the meetings.

In what should work in the private sector as, say, a normal corporate board, you would have shareholders holding people accountable to strategic plans. The whole thing becomes virtuous in that there is self-determination and yet governance. The self-interest, the information and the capabilities of all the players work together to hold it in place. Instead we are seeing the opposite, where you end up with LALCs that are

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essentially existing in a moral hazard because the risk is being absorbed by NSWALC. NSWALC is not in a position to push the risk back. We are looking at how you go from this sort of vicious cycle to a virtuous cycle and get a board that can be held accountable in the same way as a corporate board can be held accountable, a membership that is engaged, a business plan that is actually a realistic business plan that creates accountabilities and a regulator that is truly responsive. At the pointy end of regulation, people go to jail; at the bottom end, where most people should be, is primarily a facilitation role for NSWALC. The incentive is for LALCs to move into that area where they are facilitated and there is a light touch.

That is only the broader analysis. When you start to pull the bits apart, they are community organisations; they are not BHP. The skill base on the board is not what you would have in a corporation; it is what you have in a community organisation, yet it is trying to run businesses, complex social arrangements and all sorts of things that it is not well skilled to do. NSWALC recognises that, and there is training in place, but the idea that you can train people to that sort of requisite level is not necessarily realistic, so we are looking at how to close the gap between the regulatory burden placed on the board and the capability of the board other than simply by trying to train people up. Can you reduce the red tape? Can you simplify the systems? We are looking at all those sorts of options.

There are a few levers in there that we think are probably going to be critical. It is still in the middle of the analysis. But the regulator should not be bearing the financial risk of those it regulates, which at the moment is what is happening to NSWALC. Somehow it should operate as a regulator without risk, otherwise it becomes too risk-averse and it will stifle local ownership of economic development. I assume that you have looked at the North-West Land Trust arrangement, which came about by good luck rather than anything else, in terms of a model by which you can start to pool expertise.

The CHAIR: Could you quickly outline it for us? The Committee does not have evidence on the North-West Land Trust.

Dr WALDERSEE: A very quick outline. Raghu can probably correct me when I get the details wrong. Some of the land that NSWALC was holding was going back to the LALCs and they were unable to effectively subdivide it so they formed a trust with a couple of properties, which now generate a revenue, and the trust itself is able to fund, to some extent, advice to the 17 LALCs eligible to have members on the board of this trust. So it is a pooled resource across LALCs that is able to provide expertise, but they fell into it because the land could not be divided up. Some idea of whether it is an administrative hub, shared services, some joint back-of-office arrangement between LALCs, that would appear to be a valuable approach in terms of closing the capability gap of each LALC.

The CHAIR: We have had quite a bit of discussion on this. The point you just made of the 120 land councils and the extraordinarily wide variability in terms of assets and resources and memberships and skill base is very much on our radar. We very much appreciate the work you are doing, which is very positive.

Dr WALDERSEE: Until you can bring ultimately the membership into it where they will hold the board accountable for what is in the business plan, which is how a government system would work, then we end up with this NSWALC running it for you sort of model, whereas the members should be running it, and that requires them to have an interest, to have information and to have some understanding of what is going on and what the board is supposed to be achieving.

Ms BARWICK: I think one of the other issues is because you have NSWALC as sort of the regulator, but then each LALC has its own autonomy in that it has its own board making decisions and then they are vulnerable to the membership. So in a lot of instances, from what we have seen, there are not really strict policies and procedures within those individual LALCs that then even have responsibilities on members and how they behave and how they impact on the organisation. You are right, a lot of the boards are not skills-based boards; the directors are not elected for their skills, it is more about who has got the most votes and the people in the room. So it does create a real problem and I think the answer is back-up—how does NSWALC regulate, find a way to regulate, that is still being respectful of the fact that those LALCs are pretty much independent entities as well and trying to support the communities? I think there is a need for a lot of education and just trying to get them to run like a business where we want them to be running like a business.

Dr WALDERSEE: The best model we saw in the various zones—because the zones have variation across them—is where the risk assessment system [RAS], which acts a bit as a surrogate internal audit for the LALCs, is tied to the financial system that the board members use and that financial templates are linked to the training that is provided to the board. So you end up with an integrated capability that is built up and tied to the audit—effectively what becomes the audit function of the LALC. That is a lot more powerful, I think, than simply having an external regulator come in and say, "That's not right and that's not right."

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The CHAIR: It has become apparent to us just how little capacity there is in a lot of these councils and the few resources they have. They are issues as well. Some of the bigger ones are now performing really well and were actually constrained by the NSWALC sort of regulatory system. There needs to be some work done in this space and we are very pleased to be able to raise it as something that should be looked at. We might move on a little bit to capacity for organisations and opportunities for organisations. Ms Berry, do you want to go first?

Ms BERRY: I guess we are at the opposite end of the spectrum where we are trying to drive the economic development of Aboriginal communities through the engagement of Indigenous businesses. At Supply Nation our role is to provide those connections between Indigenous businesses and our large membership of government agencies and corporations right across the country. We operate by having quite a rigorous certification and registration process in place for Indigenous businesses. Our businesses who come and want to be part of a directory—we have an online directory—have to go through a process to be registered to go onto that directory in the first place, and then should they be 51 per cent or more owned, managed and controlled, they go through a certification process that we have in place that is based on world's best practice out of the United States, going in and making sure that the business is a bona fide Aboriginal or Torres Strait Islander owned organisation.

So the organisations that sit on our members side who are looking to engage with Indigenous businesses can be confident that they are actually working with businesses that are bona fide Aboriginal or Torres Strait Islander owned. We see our role very much as a collaborative role with our members, with our businesses, with the Indigenous chambers of commerce here in New South Wales and right across the country. We worked very closely with the Federal Government in the implementation of their Indigenous procurement policy that came into effect on 1 July last year. We developed our directory and a 50 per cent ownership category of Indigenous businesses in response to the Government's policy, which sets very clear targets for Federal Government agencies—up to 3 per cent of government contracts by 2020 on an increasing scale year on year.

Our position in terms of how we can drive that growth here in New South Wales is by encouraging the New South Wales Government to adopt a similar approach where they are having a whole-of-government target to Indigenous procurement and where those targets are measurable and the people who are charged with achieving them are held accountable. What we have seen throughout, particularly with Federal Government, was that there were policies in place for a number of years, and the policies were great and they had all the great intentions in place, but without the targets and the accountabilities put behind those the outcomes were not being achieved. We saw only a few years ago Federal Government only spending about \$6 million a year with Indigenous businesses. They started their policy last year. Our directory of Indigenous businesses has grown 250 per cent in terms of the number of businesses listed on that directory, just to rise to meet the demand of the Federal Government's policy and the targets, and they have reached all those targets. We have seen over \$150 million worth of contracts and purchases being spent with Indigenous businesses in the last financial year alone.

So our approach is definitely that there is a want and there is a will from the corporate sector but also from government federally and also around the country in other jurisdictions and other States to work with Indigenous businesses. We would encourage the Government to look at having a target right across the board that agencies are held accountable to. We do have four New South Wales Government agencies who are members of Supply Nation already and we obviously have been working with them to help them make those connections with Indigenous businesses.

The CHAIR: Who are they?

Ms BERRY: They are the Department of Education, the Department of Industry, Skills and Regional Development, the Department of Finance, Services and Innovation, and the Department of Family and Community Services, and we are currently in advanced discussions with Roads and Maritime Services as we recognise that a lot of the infrastructure spend that is going on in the State will be coming out of that agency in particular and we are looking to see how we can work with them to help them achieve the goals they need to under the APIC.

The CHAIR: I think they have just got to kick ahead. We have heard of a few issues about this procurement space; one of them was the question about what is an Aboriginal enterprise, what is an Aboriginal business, the 50 per cent sort of stuff and—I forget the expression used—whether there are fronts and other people are getting it. Is that being sorted through? Is that resolved? Is there a definition now of what an Aboriginal enterprise or business is?

Ms BERRY: At Supply Nation originally, when we first started, we had a definition of 51 per cent, so majority ownership and management and control. As of 1 July last year we introduced a second category which

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we term the registered business. So we had certified at the 51 or majority owned and a registered business that is at 50 per cent. So we do not register or define an Indigenous business for anything under 50 per cent ownership but other organisations do. But that is the Federal Government's definition and many State Government definitions.

The CHAIR: It is now 50 per cent or 51 per cent?

Ms BERRY: Yes, minimum 50 per cent. In terms of going through the process to ensure that there is not black cladding, and that the business is Aboriginal and Indigenous owned; that is why we have the registration and certification process in place. We then check shareholding, we are going in and having conversations with the chief executive officers and the managing directors of these organisations to make sure that they know what is going on in their business and that they are not just the person who has been put there and their names on a piece of paper. We do see that there are risks sometimes specifically at 50 per cent category because the checks in place are not as rigorous as they are for the majority owned, controlled and operated. So there are definitely more risks in that 50 per cent space so we encourage Indigenous business owners to be looking at having a majority ownership in the business to deliver the wealth back through into their own communities.

Our own research is telling us that definitely Indigenous businesses are driving that wealth and that return back into their own communities. We have commissioned a social return on investment report which we released last September which I will table for the Committee. For every dollar of revenue for a certified supplier—so for a majority owned supplier—\$4.41 of economic and social value is generated for the community. We know that these businesses are more likely to employ more Indigenous people and provide a culturally safe place for Indigenous people to work and to further their own careers.

The CHAIR: Are you happy for the Committee to publish that on its website?

Ms BERRY: Yes there is a second report that we are also tabling which is the More Than Business Report which is talking about the barriers between Indigenous businesses and corporate and government buyers and now corporate and government buyers can be looking to use some of the recommendations in that report to better do business with Indigenous business owners.

Mr VENKAT: For us, just to make it clear I suppose, I have spent 1½ years of my life with NSWALC and LALCs on economic development but today I am wearing my Indigenous Business Australia [IBA] hat. I do have that perspective but I would really like to represent IBA today. Just for everyone else around the table, Indigenous Business Australia is a Federal Government agency which has three main program areas, though it has the broader mandate of economic development across Australia. Its three main programs are: home ownership, business ownership and other wealth generating investments.

So we kind of operate across the business space with mum and dad businesses, but right through to LALCs and other Indigenous organisations who want to do some small economic development. We primarily operate in the commercial space so it is the pure business space. With that in mind I suppose really, rather than talking about the power of the Indigenous estate that we have and the potential of it, really the chat today is more about what are the potential solutions of areas that we can look into. Gerard and Debbie's point is it is really around this coordinating mechanism around wraparound services. There is no other way to put it.

The wraparound services are mentoring, advice on insight in commercial or operational and even strategic relationships of partnerships, is what is the coordinating mechanism that pulls all the staff together. To answer your question, Mr Wong, I think that is one of the biggest hurdles if you have to point to anything. It is what is the organisation of human beings that we can go to—it can be the Clontarf equivalent—in the business space. They are the connector to advice, relationships, mentoring, et cetera. I suppose it is bringing that together. The challenge is at what levels does that coordinating mechanism operate? Do you have one for LALCs? Do you have one for mum and dad businesses? Do you have one for businesses which are seeking to procure from government in tender? The second thing is how tailored it is to the New South Wales context.

Having spent the past eight months working in the Northern Territory in a remote community as a wider project, I have now got into the perspective of not just New South Wales but other places, and New South Wales is different. When Mr Neesham said New South Wales is different, I thought "Absolutely". I have humbly learnt that now but it is true; it is how do you have the right levels of support and the tailored support? I know it is still a very high-level policy answer but that is the thing. I think we all recognise we need that but it is just being very clear and defined about how to operationalise it. We talk about capacity and other things but it is really valid; it is about how to bring it to life. From an IBA perspective we would like to coordinate better with the New South Wales Government and the other agencies and groups like the NSW Indigenous Chamber of

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Commerce that are doing some great work in this space to come up with a better answer which is more tailored. We definitely have a lot of lessons that we can learn from other places.

The CHAIR: In relation to Government procurement, this morning there was discussion about the decline in Aboriginal employment and supply in things like housing maintenance, for example. I assume that comes into the 3 per cent requirement. Do you see that? Are we moving away from employing service providers to more product delivery?

Ms BARWICK: No, not necessarily. I think we have seen a growth in both from where we sit. Ms Berry with Supply Nation was heading up that buyer channel. With my other hat I was with the peak body. It was more about the supplier channel and how do we develop into that capacity to feed into the buyer channel. But we are seeing an absolute growth in both. I think it is absolutely right, we have been focused on looking at finding a way to where we have got a more coordinated approach to work together and not duplicate. We need to be complementing each other's role so that we are actually taking the economic journey forward to achieve some real outcomes.

We are focused on regulation, advocacy and capacity building and that is where we sit as chambers and then all feed up to that FACCI model. But I think what our experience with the private sector and government and Indigenous business owners and communities who are wanting to double business, just having that easy way to find help. We have always tried through the chamber to sort of have a one-stop shop environment where we build our own knowledge base around what else is out there and what are the different supports that can take an idea all the way through. We have worked with IBA for about 10 years now. We have worked with Supply Nation so when a business is ready we make sure that they go and get themselves registered on that directory, that they are registered for government tenders if that is what they want to do and the like.

The other important thing around chambers is that not everybody wants to work with government on a government contract. They are running a hairdressing salon, a butcher shop or a car detailing business and we need to find a model that supports economic development and the aspirations of our communities to whatever that looks like. We need to support that because ultimately that means coming off welfare and it is creating role models in every community. We need to make sure we find a way to support localised economic development. There are models out there that we are trialling that are working with other States with, say, the resource sector, and it is creating great employment opportunities in communities where unemployment is crippling.

Now we are asking can we take that concept and get the resource sector here to start adopting those models. It is pretty much setting up an Aboriginal enterprise that is quite labour intensive and creating those employment case studies in those communities. From us a solution is to, I guess, support that thinking and that one-stop-shop model. The other thing that we do is work closely with the New South Wales Government around the policy. If you look at the new Aboriginal Participation in Construction policy it has really great opportunities there and Roads and Maritime Services and everybody else knows that.

But how do we regulate that, if we are not measuring and we are not capturing the data and we are not qualifying and quantifying the data so that we can continually feed the programs and the supports that we all offer? We do not know what we are doing if we cannot capture it, so for us it is a matter of getting some resourcing into a body that can play that role—be it a regulator or an advocacy service—and develop capacity, and then link into those various stages along the journey where people want to go.

The Hon. MICK VEITCH: Ms Barwick, earlier you spoke about the FACCI model.

Ms BARWICK: Yes.

The Hon. MICK VEITCH: What is that?

Ms BARWICK: For 10 years we had a national Indigenous chamber of commerce model developing. You now have Indigenous chambers of commerce or Indigenous business networks in each State and Territory with a membership base. Last year in April a peak body was established called the First Australian's Chamber of Commerce and Industry [FACCI]. The members of that body, FACCI, are Indigenous chambers of commerce. What you have are Indigenous businesses—such as mums and dads businesses, businesses that are exporting or are national—that are caught up in that membership. They are feeding that knowledge base at a more grassroots level, and then it is about bringing that information forward up through a peak body that can then really start to capture, you know, what does the sector really look like? What are the needs of the sector?

The other thing that we are seeing is a lot of community groups that are starting to join chambers so that they can take forward their own enterprise ideas, and so we need to be able to support them too. For example, I will use New South Wales: We watch community organisations time and again tender for running programs, such as children services or age services or what have you, and they miss out to the larger

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organisations, or the large charities and so forth, because they do not have the capacity to either write the tenders or they are missing some sort of management system, or they do not have up-to-date policies and procedures. If we can focus on building capacity of not just the private enterprise sector but also community organisations to start to operate like businesses and to be competitive and to run programs in their communities, we will start to address that overall employment problem; and, again, obviously that feeds into the solutions around a whole heap of our social programs.

The Hon. MICK VEITCH: Where do you draw the expertise from for things like big management or tenders? I say this from someone who spent 15 years in the not-for-profit sector writing tenders for government mining. I was the highest paid beggar in town! Where do you draw the expertise from to, say, write a tender for a government contract? They can be quite sophisticated.

Ms BARWICK: Currently, for us, the way that we are set up is that we are not government-resourced. What we do is we partner with organisations that bring some sort of value to the chamber's work. There are a lot of private sector players out there who want to contribute to building that capability. It is not near enough as far as being able to support everybody with that, but I guess what I am saying is that we need to buy that in at this point. We do not have the resources to buy that in, in a big way. We need to, I guess, build that up so that we have access to it all the time.

The Hon. MICK VEITCH: You can invest a lot of time, effort and money for no reward.

Ms BERRY: Yes.

Ms BARWICK: Exactly. We have partnerships with stakeholders like the Law Society of New South Wales and they bring legal advice capacity around contract law and all that sort of thing, and then we have other partners that will bring in management programs and systems and financial management programs and systems. We work with those partners so that we can provide those supports to our businesses to develop up their capacity until they can afford those things ongoing.

Ms BERRY: Can I just add to that—just on your question, Chair, around the employment side of things? Across our businesses that are registered on our directory there is our 50 per cent Indigenous employment. We can see that Indigenous businesses are more likely to employ Indigenous people so growing an Indigenous business sector will have an impact on employment, absolutely, in communities. We also have seen growth in businesses in the sector. I mentioned before that we had a 250 per cent increase just in the number of businesses that are registered with us on our directory in response to the launch of the Federal Government policy last year.

There was a lot of talk at the time around, I guess, some fear or some hesitation around the Indigenous business sector's ability to step up, and was there going to be enough capacity to meet the demand of government with the targets that have been put in place? What we have seen absolutely is that that has been the case. In the past 12 months the Federal Government has definitely exceeded their first year targets. We are yet to see what happens in the next year. We have absolutely seen that by setting the targets and by putting the opportunity in front of Indigenous businesses, they are rising up to meet that. That is with the introduction of new businesses—so lots of businesses forming—but also through joint venture relationships and businesses coming together to expand their service offering to scale up and meet the demand of the government sector.

We are certainly seeing that as well through our corporate membership. We have 230 members, most of which are corporates who are looking to engage with Indigenous businesses and looking to find businesses that can scale up and deliver services on a national basis, or on a multiple State basis as well. As Ms Barwick already has mentioned, we are seeing growth right across the sector both in the number of businesses and also in the employment side of things. I think of the top 10 Indigenous businesses that have won work out of the Federal Government's policy, nine of those were large construction and facilities maintenance companies. A lot of the work is going to those big businesses. The tenth was a professional services firm. We have a membership base as well that is looking.

Ms Barwick made a really good point about capacity building and how to link those Indigenous businesses to find the support that they need to write government tenders or to get their business plans in place to be able to do that. I think there is a gap where the chambers need to be better resourced in order to be able to provide some of that service directly to the businesses. We provide a little bit of that through our corporate membership base. We are looking for ways in which to engage their volunteers and their staff in Indigenous businesses to help to grow their capacity, but it is not our core service.

Ms BARWICK: It is probably the biggest area of demand right now. If we are going to continually feed that pipeline, we need to do a lot more work in that space. The other issue is that we are seeing at the grassroots level is that, since the policy and an acceptance of the statutory declaration by Aboriginal partners of

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the business, the 50 per cent business, there are some concerns out there across communities. We see it as well. We will get a phone call from a young Aboriginal person who has been working with an employer for six years. They ring us and just say, "My boss has told me about the Commonwealth's procurement policy and wants to know if I want to go into business with him." So it is like, "Okay. Why don't you come in and have a chat to us?" We bring the Aboriginal person in and find out a little bit more about them and their capacity, and then we try to get an understanding from them about what they think about the boss's offer.

There are businesses that do not sign up. For a lot of people out there, there is a concern with that fifty-fifty, when there has been an existing non-Indigenous business for a number of years and then all of a sudden it is an Indigenous business because it has got a new person who has come into the picture and they are immediately vying for contracts. They are the things that the chamber watches out for as well. When I talk about regulating, it is fantastic to have these policies and initiatives, but we also need to ensure that they are making a difference to the lives of the people for whom they have been developed.

The CHAIR: Mr Neesham, you have a continuing involvement with making sure the boys are employed.

Mr NEESHAM: With the businesses and towns where, you know, there are diamond mines, iron ore mines and God knows what, there are procurement contracts. The percentages of Aboriginal content in businesses has allowed businesses basically to focus on not investing in the capacity of the young ones. What has happened is that they will go and find as many Aboriginals as they can. They go and pick them, and I am sitting in Jabiru and we are about to start a program. The bloke is bragging to me about 20 per cent Aboriginal content, and I ask him where they come from. He said, "They are from Brisbane." I am in Arnhem Land. What is wrong with the Gunbalanya people or the Jabiru people? There is no-one here because no-one is at school.

It is fundamental that you build things from the bottom up. Everything that you are talking about is terrific. It is great that we have Aboriginal businesses, et cetera. In Australia the vast majority of people do not go into business—that is just what happens. Most people go and work for someone. Probably all of us sitting around here work for someone; we are not in business. So business people are really important like sportsmen are really important. It should be normal that everyone participates in all sorts of aspects.

One of the things that we have been trying to do in working with governments is to get a percentage—to get the private sector to invest in the capacity building of young people. I mean keep them at school and get them work ready. That allows them to have the heart tick, which we are still trying to work through. Governments can drive behaviour. The Federal Government has driven some behaviour.

Ms BARWICK: Good and bad.

Mr NEESHAM: People go, "I have a good business but I cannot get into the Aboriginal pot so I am going to give half of my business to a young fella." If the governments drove behaviour and forced some of the investment down to the capacity building of the next generation we would not have a generation like we have now.

Your Wagga jail has 24 blokes in it—young kids—and 23 are Aboriginal. We have 110 full-time staff looking after them. So there is an elephant in the room. Every time we hear a closing the gap speech they tell us that the gap is going that way—it is widening. The gap is not getting anywhere near closing. So you have to work out where all this is feeding from.

Ms BARWICK: You are right. I agree. A big part of our work is to try to get more happening in regional communities. Our core business is business, but we are trying to see the creation of enterprises that could be running communities and creating opportunities for young people coming through. As I said, not everybody wants to service a Commonwealth contract. They want to stay local; that want to live local. We need to be able to support that. The reality is that the unemployment and incarceration rates are unacceptable. There are diverse ways for it to be addressed. Education is number one but we also need to create opportunities and localise those opportunities so that young people can see all that positive stuff going on around them.

Mr NEESHAM: The funniest one was the bloke and his wife—a retired couple—who run the Halls Creek swimming pool. But they only go there in winter. When it is as hot as hell in Halls Creek it is closed because no-one from Halls Creek is employable. If you go down the road to Fitzroy Crossing you find six Japanese people working in the IGA which is owned by the Aboriginal community.

We need to look at the reality of what is going on. Those people should be working for the roads departments; they should be working as taxidivers. Everyone should be doing what everyone else is doing as well as running little businesses. They have to do the whole gamut. You cannot create it from the top. That is my only experience.

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As sad as it is, it is very hard to try to build the capacity of somebody who is 20 years of age and who is dysfunctional. That is a huge resource that has to be put into one person. It is really tough to do it from that direction. If you come from the bottom you can create a very big workforce. The Clontarf Foundation will have 45 boys in two years time finishing year 12 in Dubbo. I reckon 15 of them will go to university. That will happen every year. Two years ago it was 11. Once you get to about 50 boys every year in Dubbo—the girls tend to follow anyway—it means that there will be big numbers and all of this other stuff follows as well. They will be lawyers and accountants.

The CHAIR: Do members want to ask any more questions? If they do, we will do that in a second. We have been taking photos of each of the sessions. I want to ask whether you are happy to be in a photo. We will send you a copy, if that is all right. I can see that that is okay.

The Hon. PAUL GREEN: I have heard Mr Neesham's evidence and I have been wondering why we are not doing more of that. My wife works in a whole bunch of areas like that too. The value of that sort of practical education—valuing the person whether or not they are academic—just screams out for itself. Once you value them and the students can see that they have value you can do anything, but while ever they are not valued or they are in a system that has been framed by academia you will be on the back foot no matter how many resources we chuck at the issue. I totally agree that until we resource our schools to value these people in their own right—to value their own gifts and talents—we will always be on the back foot.

Ms ELONE: We do not get the support that the Clontarf Foundation receives, so a lot of the mentoring and training is up to elders in the community. When we are doing courses in our community we invite community members. So instead of getting what we call "Mickey Mouse certificates" they get training that will get them into jobs. We do not get support so it is left up to us, as elders and community members, to help the Aboriginal people build up a skill level whether they are able to get employment—either with us or in whatever town they want to move to. We have trained people to certificate 4 level through TAFE in conservation and land management. Many of the skills that we have provided for them, or nurtured them in, they have taken on to other areas. Some went into nursing, some went into civil construction and some have gone into various areas. A lot of that is left up to us to do because we do not have the resources.

Ms BARWICK: There is not enough support.

Mr NEESHAM: Can I ask what community you are from?

Ms ELONE: Guyra.

Mr NEESHAM: I am from Freemantle, so I do not know where Guyra is.

Ms ELONE: Do you know where Tamworth is?

Mr NEESHAM: Yes.

Ms ELONE: We are two hours north of Tamworth.

The Hon. MICK VEITCH: It is rugby league country, so you probably do not know it.

Mr NEESHAM: Is Armidale up that way?

Ms ELONE: Yes, we are 30 kilometres from Armidale.

Mr NEESHAM: We do a program up that way.

Ms ELONE: We have never heard of it.

Mr NEESHAM: I will get our fellows to visit you tomorrow, do not worry.

Ms ELONE: A lot of it is left up to our organisations to provide training for the younger Aboriginal people or even older people. We try to employ a lot more women. We do a range of programs, environmental programs, and we set their work hours so that it starts at 8.00 a.m. and finishes at 1.30 p.m. so they are home for their kids, to get them to school and to be home before school finishes. There is a lot of pressure on our community and small organisations to help the people.

Ms BARWICK: For us there is a whole range of solutions, but it all comes back to capacity. There needs to be an investment in the capacity of organisations that are out there doing good things to create opportunities in their communities. There is not a one-size-fits-all for everybody. Clearly, education is key, but if we have to wait to start making a difference for the generational change then we are going to miss the now. We need to look at a range of solutions and get some serious investment into that. As Mr Collins said, the whole opportunity, choice, healing, responsibility, empowerment [OCHRE] process spells out loud and clear what

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community want. They want to be empowered, so the workers and organisations like those represented here are really important, but they are not resourced well enough to continue or do it on a bigger scale.

The CHAIR: Unless Mr Collins wants to respond, that might be a good spot to conclude. Do you want to comment?

Mr COLLINS: No, I take that.

The CHAIR: It is a good point. We are grateful for your input and generosity in being so open. Dr Waldersee, are you doing a report or is it a support exercise?

Dr WALDERSEE: We did have a couple of inquiries recently; we have had inquiries over periods. The bigger issue is that we receive a lot of complaints from Aboriginal communities and local Aboriginal land councils [LALCs] in particular, which you really could not justify using a royal commission to look at but for the community they are very important. The decision was that it is much better to look at the governance arrangements and the integrity of the system than it is to try to just bust people for small things. We have been doing this for a year, and there will be a standalone report that looks at the governance of LALCs.

The CHAIR: That will be very helpful. Mr Neesham, the best economic strategy is get them to school and get them through it.

Mr NEESHAM: I think it is. That is our bit of the job, anyway, and we would like to continue to do it. We thank both sides of government for all the support we have had.

The CHAIR: Thank you, we have had a really helpful day.

(The witnesses withdrew)

The Committee adjourned at 15.07