



**The NSW Aboriginal Land Council's
Submission on the Australian Governments'
Indigenous Economic Development Strategy
2010**



NEW SOUTH WALES
ABORIGINAL LAND COUNCIL

www.alc.org.au

This report has been prepared by the
Policy and Research Unit of the NSW Aboriginal Land Council.

November 2010

NSWALC Policy and Research Unit
33 Argyle Street, Parramatta NSW 2150
Email: policy@alc.org.au
Phone: 9689 4444

Front cover image courtesy of Suzy Evans, modernmurri.



The following comments have been provided by the NSW Aboriginal Land Council (**NSWALC**) in response to the Australian Government's draft Indigenous Economic Development Strategy (**Strategy**).

With approximately 30% of the nation's Aboriginal population at the 2006 census, NSW has more Aboriginal residents than any other state or territory. NSWALC is the peak Aboriginal representative body in the state of NSW. It represents the interests of all the Aboriginal peoples of NSW, with a particular focus on its 17,000 members and the network of 119 Local Aboriginal Land Councils (LALCs) it supports across the state.

On 3 April 2009 the Australian Government endorsed the *United Nations Declaration on the Rights of Indigenous Peoples*. The declaration contains the following articles that are of relevance to the Strategy that is under consideration:

Article 21

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

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

Article 23

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

The following elements of these rights warrant reiteration in light of the draft Strategy:

1. Aboriginal people have a right to the improvement of their economic and social conditions;
2. This right shall be non-discriminatory and contains an ancillary obligation upon Governments to take effective, and where appropriate special, measures to provide such improvements; and
3. Aboriginal people have a right to be actively involved in the development of such economic and social measures.

Right to the Improvement of economic and social conditions

By any measure the statistics on Aboriginal health, welfare and economic advancement paint a bleak picture in this modern and advanced democracy. It is therefore appreciated that the Governments of Australia are turning their collective will to an agreed strategy for addressing the ongoing disadvantage of Aboriginal peoples; the *National Indigenous Reform Agreement* or Closing the Gap Strategy. The Strategy is presented as a key component to this 'Closing the Gap' strategy.

The initiatives to arise from the Indigenous Economic Development Action Plan (**Action Plan**) under this Strategy will be the real indication as to whether the actions of Governments will yet again fail to meet their promising rhetoric. To be effective the Action Plan must contain clearly defined and measurable targets, there must be clear and transparent reporting against these targets and on the delivery and funding of the specific initiatives identified in the Action Plan. With the Strategy seeking the more transparent management of native title benefits (priority 5.3 Strengthening Governance and Capacity) it would serve the Government well to lead by example in this regard.

Right to be actively involved in the development of economic and social measures

As the Strategy also indicates that the Action Plan will be developed in partnership with representative and peak bodies, and as the NSW Aboriginal Land Council is the peak Aboriginal representative body in the State with the highest Aboriginal population, we look forward to providing the Australian Government with assistance in developing a comprehensive Action Plan to address the economic aspirations and the present disadvantage of Aboriginal peoples.

In this respect, it is disappointingly noted that state based representative and peak bodies such as NSWALC and other Aboriginal Land Councils are given very limited recognition in the Strategy.

In regards to this issue it should be understood that in NSW, the network of Aboriginal Land Councils are uniquely positioned to provide community based economic development across the state. The *Aboriginal Land Rights Act 1983 (NSW)* was passed to provide compensation for historic dispossession and in recognition of the ongoing disadvantage suffered by the Aboriginal communities of NSW. The principal focus of the Act was, and remains, a mechanism to facilitate the return of land in NSW to Aboriginal people. However a secondary and increasingly significant purpose of the Aboriginal Land Councils established under the legislative scheme, is the management of acquired lands to provide an economic base for the Aboriginal communities they represent.

Presently the state's network of Aboriginal Land Councils already plays a key role in many communities in terms of providing employment and facilitating business enterprises. Aboriginal Land Councils are also holders of significant freehold land and other assets.

Recent amendments to the *Aboriginal Land Rights Act* have also instituted governance structures in LALCs akin to those of corporate Australia. These Boards allow for LALCs to make the responsive and transparent decisions required of business enterprises. The same amendments also require LALCs to develop a Community Land and Business Plan to strategically maximise the use of their assets. These business plans are to include objectives and strategies for the carrying out of business enterprise and the investment of assets.

It is well recognised that good governance and planning are the keys to the successful delivery of community based economic outcomes.

With such factors already in place, NSW's network of Aboriginal Land Councils are well positioned to work with Government to deliver the objectives of the Strategy to a significant proportion of the Aboriginal population (30% of the national Aboriginal population reside in NSW).

The Australian Government must commit to build upon existing structures to provide economic development to Aboriginal people, and in so doing must incorporate Aboriginal Land Councils into the delivery of the Indigenous Economic Development Strategy.

Whilst NSWALC is eager to work with the Australian Government on initiatives aimed at providing economic development to Aboriginal communities in NSW, the 'partnership' and 'engagement' spoken of, both in this Strategy and the National Indigenous Reform Agreement's Service Delivery Principles must be genuine. Countless studies have shown that only genuine engagement with Aboriginal communities will deliver the outcomes required for these communities.

In this respect some comment must be made on the community consultation process undertaken in regards to the draft Strategy. NSWALC staff attended the final community consultation workshop conducted in Sydney on 30 November 2010 and has received reports on some of the community consultation workshops held regionally. The community consultation workshops may have been more well attended by community members had there been more consultation with the community about the timing and location of the workshops.

It is widely recognised that there will be a higher level of engagement and buy-in from Aboriginal people where meaningful consultation is achieved.

In light of the significance of the draft Strategy the NSWALC, as the peak representative body for Aboriginal people in NSW, would be willing to assist with further consultation processes, particularly in relation to the development of Action Plans.

The Australian Government must genuinely consult and engage with Aboriginal peoples and communities on policy initiatives that affect Aboriginal peoples and communities.

Measures to improve economic and social conditions are to be non-discriminatory

We have concerns that some of the language used in the strategy could signify a significant erosion of the rights of Aboriginal Australians. Concepts such as 'entrenched passive dependence' are an oversimplification of issues which may justify and mask a return to paternalistic measures.

The recent history of 'income management' in the Northern Territory is illuminative in this regard. The *Racial Discrimination Act 1975* (Cth) was suspended to allow for the introduction of the income management regime and other measures of the Northern Territory Intervention. While it is appreciated that the Government has reinstated the authority of this vital piece of legislation, it is of concern that the income management regime has continued with little practical change. Whilst it is acknowledged that the regime has been extended to the non-Indigenous populace the disproportional impact on Aboriginal people cannot be understated.

As the Budget Review 2010-11: Indigenous Affairs recognises while the 'new' income management regime is "theoretically not indigenous-specific ...the income to be managed will almost exclusively be that of indigenous people".¹

The continuation of disproportionate disadvantage of Aboriginal peoples by this 'new' regime appears to simply continue the discrimination of the previous policy with a mere veneer of social equality. It can be assured that these measures will continue to be viewed by many as discriminatory, even if now repackaged in an indirect guise.

The NSWALC cannot support government policy that directly or indirectly disadvantages Aboriginal people disproportionately. The hard won rights to a social safety net belong to all Australian citizens.

Measures to alleviate the economic disadvantage of Aboriginal peoples cannot undermine the rights Aboriginal people are entitled to as citizens of this country.

Complex issues of the nature faced in respect to Aboriginal social and economic disadvantage require more nuanced and creative solutions than ideologically driven policy. The development of such policy requires Aboriginal involvement and wherever measures are introduced there must be effective and transparent evaluation of their success and social impacts.

Strategic Priority: Education and Individual Capability

The poor educational outcomes currently experienced by Aboriginal people, underpin poor outcomes experienced by Aboriginal communities in a host of areas not least of which are economic participation and health.

As the \$30 million NSWALC Education Endowment Fund attests, NSWALC recognises the importance of education to the future of our Aboriginal communities. Committed as we are to providing educational opportunities and outcomes for the Aboriginal peoples of NSW, it is appreciated that education has been given its due position in the strategic priorities of the draft Strategy.

The statistics suggest that the current policies, programs and funding levels are not providing the educational opportunities and outcomes required to bridge the gap between Aboriginal and non-Aboriginal students. Figures from the National Centre for Vocational Education Research on rates of participation and completion show that this is true both in terms of the numbers of Indigenous students attempting Vocational Education and Training (VET) courses and in terms of the level of VET training being attempted and completed.² NSWALC's experience in trying to engage the staff of LALCs in VET programs across NSW confirms the official statistics, and is itself educational.

NSWALC has found over the last several years that there is little on offer in the VET system for Aboriginal Land Council staff that adequately reflects the jobs and work being undertaken by such Aboriginal organisations. The Conservation Land and Management Training Package (now part of the recently endorsed AHC10 Training Package) was the closest match NSWALC was able to locate for a culture and heritage sites work training course. However, it was deemed to be inadequate for our needs. Inquiries revealed that the Industry Skills Council, that manages the CLM Training Package, had not undertaken consultation with Aboriginal groups during the last six years of the course's development and implementation.

With NSWALC having similar experience in partnering with Indigenous Learning Units in NSW in recent years, it is of concern that the draft Strategy assumes that existing education and training structures, eg. VET institutions, Industry Skills Councils, Community Colleges, Universities, etc. have an effective level of performance in this area.

The effectiveness of existing educational structures must be adequately assessed before they can be relied upon to deliver the Strategy's desired outcomes.

The Draft Strategy also identifies a number of priorities which aim to strengthen and develop clear 'pathways to employment' in respect to this strategic priority. It is agreed that training and development initiatives must be linked with workplace employment needs.

To ensure pathways to employment are successful training and development programs must be linked with proper geographic specific analysis of industry needs.

It must also be recognised that the promotion of job sustainability where long-term or intergenerational unemployment is concerned, requires the development of skills and understanding that go beyond what is generally considered as 'vocational training'.

Individual capability initiatives must consider the specific vocational needs of the long-term or intergenerationally unemployed. Intensive mentoring and support programs must be incorporated into pathways to employment initiatives.

Strategic Priority: Jobs

It is doubtful whether existing jobs performed by many Aboriginal people have been accurately or adequately classified and defined. This has obvious training implications for existing workers, however, also presents opportunities for the identification of new and emerging jobs that are currently obscured by inaccurate job designations and unknown functions within existing jobs; Aboriginal land management and culture and heritage sites work are just two areas where this applies.

In recent years, access to the majority of DEEWR funding for training initiatives has become dependent on linking the training to placing participants in jobs. This has been a worthwhile development in general. However, where the shortcomings of existing training and educational structures (discussed above) are not considered, Aboriginal learners are being ineffectually trained into jobs. This factors into the low job retention rate, and promotional prospects evident for Aboriginal people in employment.

Culturally appropriate transition training programs must be provided to assist Aboriginal people to access professional development in order for them to move on into higher level positions.

In many Aboriginal job scenarios there also exists a divide between the capacity of the individual and the capacity of the community they are trying to work within.

The Strategy considers Aboriginal jobs creation on an individual level. This misunderstands the nature of Aboriginal participation in community. This individualistic approach to Indigenous jobs neglects that often an individual's success and effectiveness in work is closely related to the role of the community in that person's life and work and vice versa.

The Strategy needs to address the dual need for creating more mainstream jobs for Aboriginal people in mainstream organizations while developing the capacity of Aboriginal communities to support and encourage that goal.

In addition more jobs need to be created for Aboriginal people in support of Aboriginal communities. The Draft Strategy must recognise that jobs for Aboriginal people are both an individual and community need.

Strategic Priority: Business and Entrepreneurship

It is recognised that a significant proportion of Aboriginal enterprises are inhibited by access to finance; one study suggests that around 33% rely upon family members for start-up capital, with around 40% reliant on credit cards for ongoing business financing. If the Government is serious about promoting Aboriginal entrepreneurship and enterprise Aboriginal access to finance must be addressed. Again creative solutions will be required to adequately address this impediment.

Initiatives such as low interest, no deposit, Government loans; micro finance and tax incentives for start-ups must all be investigated.

It must also be remembered that 75% of the Aboriginal population of Australia live in urban and regional centres, and that the emerging Aboriginal enterprise sector is spread across a wide range of industries.³ Whilst Aboriginal participation in certain industries receives significant attention, Government initiatives must not lose sight of providing support to the ordinary business enterprises.

NSWALC acknowledges the Governments initiative to increase Aboriginal economic participation through Government procurement strategies; as incorporated in the National Partnership Agreement on Indigenous Economic Participation. However, the focus of this procurement policy, on contracts in excess of \$5million and \$6million, appears to overlook most Aboriginal owned enterprises.

The Australian Government procurement strategy must also target Aboriginal owned businesses; the \$5million threshold must be reconsidered.

Strategic Priority: Financial Security and Independence

Aboriginal access to compulsory superannuation savings must be reconsidered in light of the differing life expectancies of the Aboriginal population compared to that of the non-Aboriginal. Such capital could be redirected toward home ownership or other similar purposes that support the aims of compulsory superannuation.

In conclusion

The NSW Aboriginal Land Council is eager to assist the Australian Government with the development and implementation of the Indigenous Economic Development Strategy and Action Plan.

However, it must be understood that the impediments to the economic development of Aboriginal communities are as diverse as the Aboriginal communities and Aboriginal peoples of this nation. As such, creative, flexible and nuanced policy will be required to adequately address this issue. It is clear that such policy can only be developed with genuine engagement or in genuine partnership with the Aboriginal peoples and communities to which the policies will be applied. To do otherwise is to repeat the mistakes of the past.

For further information on this submission please contact the NSWALC Policy and Research Unit on 02 9689 4444.

Endnotes

¹ Gardiner-Garden, J, Budget Review 2010-11: Indigenous Affairs, accessed at <http://www.aph.gov.au/library/pubs/RP/BudgetReview2010-11/IndigenousAffairs.htm>, 10 December 2010

² National Centre for Vocational Education Research Statistics accessed at <http://www.ncver.edu.au/statistic/21075.html>, 12 December 2010.

³ Altman J & Jordan K., Submission to the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs Inquiry into developing Indigenous enterprises, CAEPR Topical Issue No. 11/2008



