



# Consultation Draft 2019 Economic Development Policy

## Introduction:

The NSW Aboriginal Land Council (NSWALC) has a statutory objective: to improve, protect and foster the best interests of Aboriginal people within NSW.

To achieve this objective, the NSWALC has set the following five goals in the NSW Aboriginal Land Council Strategic Plan 2018-22:

1. Protect our culture and heritage
2. Pursue our full Land and Water Rights
3. Pursue economic independence and prosperity for our peoples
4. Support our people
5. Secure our future

This policy updates the previous Economic Development Policy (2014-2018) and outlines the broad strategies and initiatives that the NSWALC will pursue over the next five years to drive economic development towards wealth creation and wellbeing for Aboriginal people in NSW.

Economic Development has been a thread throughout the history of the *Aboriginal Land Rights Act 1983*. Restoring economic independence and prosperity to Aboriginal communities is essential to our survival as a distinct, self-determining people.

Economic independence is also necessary to unlock the full potential of Aboriginal Land Rights and ensure the effective management of land that has been returned.

This policy supports Goal 3 of the NSW Aboriginal Land Council Strategic Plan (2018-22) which aims to create opportunities to grow economic prosperity and independence for Aboriginal people and for LALCs by:

- Supporting Aboriginal people to undertake or be part of business ventures and by generating employment and training opportunities for Aboriginal people
- Diversification of NSWALC business activities in order to provide greater prosperity for future generations.

As part of its diversification of business activities NSWALC is focusing on three new initiatives under its NSWALC Employment and Enterprise program:

- An employment services, training and brokerage capability
- An Aboriginal housing capability; and
- A land development and construction capability

NSWALC is focusing on these three initiatives because jobs and housing are the foundation for Aboriginal people's full participation in the economy of New South Wales and having a land development construction capability is vital for realising the gains Aboriginal people have made from the Land Rights movement.

Under the LALC Business Enterprise program, NSWALC will continue to work with Local Aboriginal Land Councils (LALCs) to identify and pursue economic opportunities.

NSWALC will also continue to explore opportunities in the mining sector through NSWALC Resources.

## **Guiding principles**

In developing and implementing this economic development policy, NSWALC has been, and will continue to be, guided by the following principles:

### **Self-determination**

Self-determination is essential to the success of this policy. When Aboriginal people have the authority to make their own decisions about what development approaches to take they are more likely to lead to successful outcomes.

### **Cultural legitimacy**

Aboriginal culture is a source of strength. Successful economies are built on legitimate, culturally grounded institutions of self-government and management.

### **Knowledge sharing**

Aboriginal people (human capital) are the Networks biggest asset and as such, Aboriginal people must be supported to realise their full potential. Knowledge sharing and skill development through partnerships and education/training is essential for the achievement of successful economic outcomes.

### **Accountability and transparency**

This policy will be supported by the development of an Evaluation framework, which will measure the outcomes of the different economic activities and a communication strategy which will establish a process for communicating with LALCs about the activities under the policy.

An engagement strategy will also be developed to establish a process for engaging with key stakeholders, including LALCs, government departments and corporates.

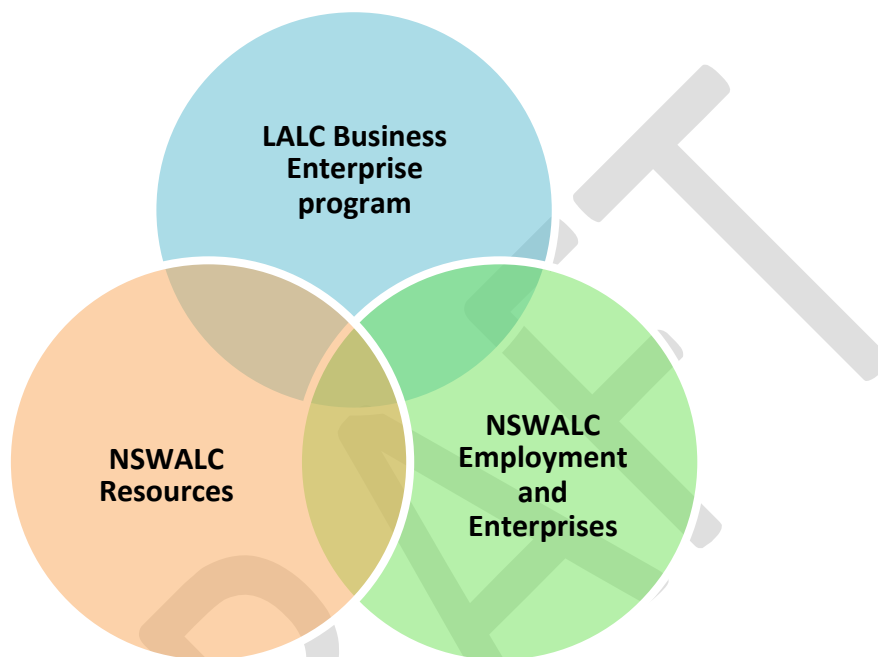
All business involves taking risks, but these risks must be managed carefully. A risk management strategy will be developed to identify potential risks and mitigation strategies.

In the interests of openness and transparency all of these documents will be made publicly available on the NSWALC website.

## Diversifying the scope of NSWALC's economic activities

Three different economic development approaches have been identified for achieving the goal of wealth creation and wellbeing for Aboriginal people in NSW:

1. **The Local Aboriginal Land Council Business Enterprise program**
2. **NSWALC Resources**
3. **NSWALC Employment and Enterprises program – to which we have added a number of new activities**



The three different approaches complement one another and aim to meet the different needs of Aboriginal people in NSW in different ways. For example, the LALC Business Enterprise program is primarily focused on community development and LALC related economic activities, while NSWALC Employment and Enterprises has a broader focus and aims to support all Aboriginal people in NSW by providing targeted training and employment opportunities.

NSWALC aims to lead by example by establishing the three separate business entities in employment, housing and land development/construction.

A key objective of NSWALC is to assist LALCs to build on the value inherent in their ownership of land. NSWALC will assist LALC's to assess the possibilities inherent in their land and the sorts of economic development which might be possible. This assistance consists of both capacity development programs to provide the necessary skills and training and connections to industry expertise. In supporting LALCs and Aboriginal people more broadly, NSWALC will also seek to leverage the resources offered by other agencies.

More detail about each of the three different program approaches and other programs provided by NSWALC are provided below.

## LALC Business Enterprise Program

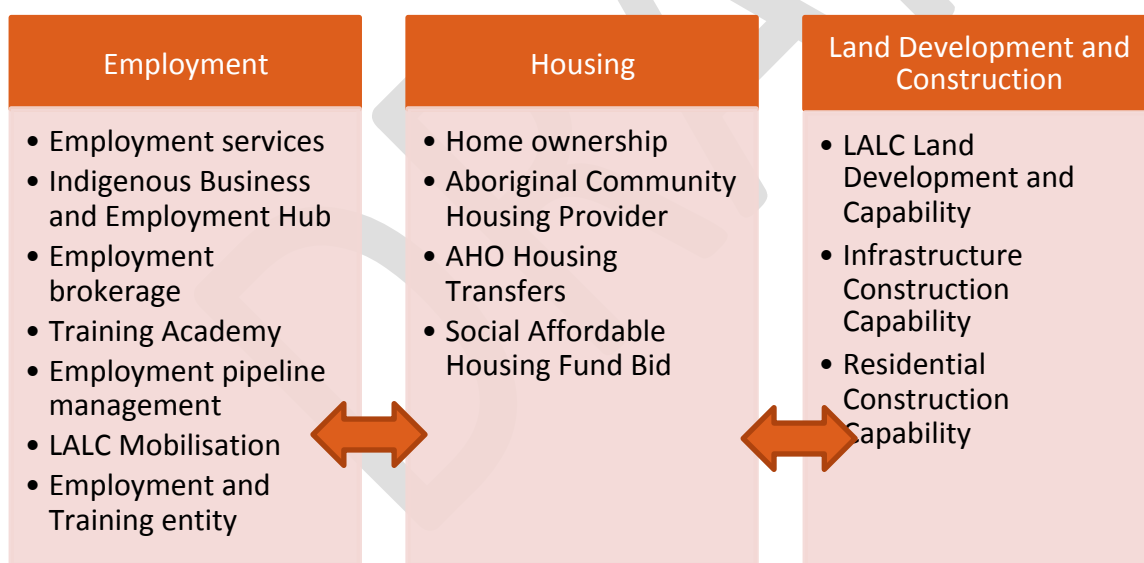
Key initiatives under the LALC Business Enterprise program are:

- Helping to build the capacity of LALCs, including the establishment of a Capacity Development Plan and web portal
- Supporting LALC business development
- Enterprise development funding, comprised of:
  - Business development funding – which includes funding for feasibility studies
  - Early-stage investment funding – no or low interest loans to attract co-investment
  - Equity investment funding – capital investment for low risk enterprises through joint-partnerships or equity investment.

For more information about the LALC Business Enterprise program please refer to [insert link to website]

## NSWALC Employment and Enterprises

The NSWALC Employment and Enterprises program of work are grouped under the three enterprise streams identified in the Strategic Plan – Employment, Housing and Land Development and Construction. Each of the three different enterprise streams will work together to achieve their overall capability goals, for example, training of Aboriginal peoples as builders, plumbers and electricians for construction of housing and land development.



For more information about NSWALC Employment and Enterprises please refer to the following website link - <http://alc.org.au/employment--enterprises/nswalc-employment--enterprises.aspx>

## **NSWALC Resources**

The Resources Development Project (Paradigm Resources) is a joint venture between NSWALC Resources Pty Ltd, (NSWALC Resources, a wholly owned subsidiary of NSWALC) and the Indigenous Energy Group Pty Ltd (IEG).

The key priorities for NSWALC in this project are to:

- Create economic opportunities for Aboriginal people
- Ensure that Aboriginal people' responsibilities to protect and manage their cultural heritage can be fulfilled
- Ensure Aboriginal people obtain a direct benefit out of mineral and energy resources in NSW
- Minimise the financial and political risks to the Network through agreements with key industry partners.

Further information on Paradigm Resources can be found at the following website:

[www.paradigmresources.com.au](http://www.paradigmresources.com.au)

## **Community Development Fund**

The fund provides grants of up to \$50,000 (excluding GST) for projects that seek to deliver land related community development outcomes and is financed through the Community Development Levy, which redistribute wealth from LALCs with more valuable land holdings to LALCs with less valuable land and less development opportunities.

## **NSWALC Aboriginal Controlled Fishing Fund**

The Fund will support Aboriginal people to enter the commercial fishing sector and to achieve long term economic outcomes for coastal and riverine communities, through employment and business development opportunities.

## Program logic for Economic Development Policy

### Ultimate Outcome

*Aboriginal people and Aboriginal Land Councils achieve economic independence and prosperity*

### Longer term outcomes

- ALCs create successful and sustainable businesses, providing employment, cultural, environmental and social benefits to their communities
- Increase in the number of Aboriginal business enterprises
- Increase in the number of Aboriginal people in employment
- Increase in Aboriginal housing and homeownership

### Intermediate outcomes

- ALCs have greater confidence and skills to pursue their own economic development initiatives and make their own decisions about establishing business enterprises on their land (self-determination)
- Aboriginal people feel empowered to undertake training, apply for a better job or start their own business
- Aboriginal people and communities are aware of and appreciate the benefits that can come from business development (change in mindset)
- NSWALC's partnerships with corporates and government agencies provide economic opportunities for LALCs and Aboriginal people
- Aboriginal people are satisfied with the support provided by NSWALC

### Immediate outcomes

- Aboriginal people and LALCs are aware of NSWALC Economic Development initiatives and are engaged in accessing support and or participating in economic activities
- Effective relationships are established between NSWALC and Aboriginal people/LALCs
- Effective relationships are established between NSWALC and corporates/relevant government agencies/program providers

### Inputs and process outcomes

- Good program management, monitoring, reporting and evaluation mechanisms are put in place
- An effective capability plan and learning and development strategy is developed to support the policy and program rollouts
- Effective communications material is developed to communicate and engage with Aboriginal people, LALCs and the broader community about NSWALCs economic development work
- Appropriately skilled and experienced staff are recruited

### Needs

- Aboriginal people and LALCs require a range of supports and linkages to achieve their economic goals – whether it is developing their land, establishing business enterprises, entering employment, undertaking training, or owning their own house.
- The broader community and service system often lack the knowledge or awareness to effectively engage with and support Aboriginal people with their economic needs.

## **Governance framework**

### **The Council of the NSW Aboriginal Land Council**

The Council of the NSW Aboriginal Land Council will continue to provide the strong Aboriginal leadership needed for this policy to succeed, guided by both the NSW Aboriginal Land Council Economic Development Advisory Committee and the Independent Funding Assessment Panel and other advisory boards yet to be established for the three NSWALC business entities.

### **The NSW Aboriginal Land Council Economic Development Advisory Committee**

The NSW Aboriginal Land Council Economic Development Advisory Committee (EDAC) is a high level advisory committee appointed by the NSW Aboriginal Land Council to provide strategic advice to the Council on economic development. The EDAC will identify opportunities to partner or engage with the corporate sector and advise on emerging economic opportunities. The EDAC has independent advisors with the expertise and experience to provide effective strategic advice to guide and oversee the success of the policy.

### **Independent Assessment Panel**

The Independent Assessment Panel will provide the NSW Aboriginal Land Council with the commercial expertise and experience to assess the commerciality of applications to access business enterprise development funding. The Independent Assessment Panel will provide recommendations on the commerciality of funding applications to inform the decision making of the Council of the NSW Aboriginal Land Council.

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