

# Summary of the Review of NSWALC's Economic Development Initiatives

## Introduction

In May 2017 Council resolved that NSWALC's economic development initiatives, including the 2014 Economic Development Policy, should be reviewed. The internal review commenced in November 2017 and was completed in March 2018.

The first stage of the review focused on the LALC Business Enterprises program and included a review of the governance and operation of the Economic Development Advisory Committee (EDAC) and the Independent Advisory Panel (IAP). The second stage of the review undertaken in early 2018 and focused on NSWALC Employment and Enterprises, and Paradigm Resources. The second stage yielded far less information than the first, because the NSWALC Employment and Enterprises program had not yet commenced.

## Background

The decision by Council to review NSWALC's economic development initiatives, including the Policy, was made in the context of the expansion of NSWALC's economic activity, including through the NSWALC Employment and Enterprises initiative. The importance of expanding NSWALC's economic work was also reflected in the NSWALC Strategic Plan 2018-22.

The aim of the review was to examine the economy, efficiency and the effectiveness of the NSWALC Economic Development programs and whether there was any duplication with other Aboriginal business programs. The review also considered whether NSWALC's economic development activities addressed the economic development needs of Local Aboriginal Land Councils (LALCs) and Aboriginal communities in NSW.

## Methodology

1. Document review
2. Interviews
3. LALC survey

The survey was sent out to all LALC, with a focus on the nineteen LALCs participating in the Business Enterprise program. Sixteen LALCs responded. A further 24 stakeholders were consulted.

## Key Findings

### The Economic Development Policy

There were a range of views about the Economic Development Policy. While there was widespread support for the Economic Development Policy, many LALCs felt the policy could better meet the needs of Aboriginal people in NSW.

Most survey respondents associated the Economic Development Policy exclusively with the LALC Business Enterprise program, which is understandable given that until recently most of the economic development activities carried out by NSWALC have been under the LALC Business Enterprise program.

Initially, the Economic Development Advisory Committee (**EDAC**) was established to provide guidance on all NSWALC's economic development activity however over time it became focussed almost exclusively on the LALC Business Enterprises program. In contrast to the EDAC, the Independent Advisory Panel (IAP) for the LALC Business Enterprise program was viewed by most stakeholders as having a clear mandate.

## LALC Business Enterprise program

During the initial trial period of the LALC Business Enterprise program almost half of all LALCs engaged with the program, and just under one third submitted EOIs to participate in the trial program. A total of nineteen LALC business ideas were shortlisted from these EOIs, spread evenly across NSWALC regions. The business ideas related to a variety of industries including property, agriculture, tourism, land management, quarrying and cemetery services. There are currently ten active LALC Business Enterprises.

The majority (64 per cent) of survey respondents did not feel the LALC Business Enterprise program had met their expectations. This was primarily because the program had not been rolled out to all LALCs, and only half of all applications were successful. Those LALCs who were successful in securing a grant or loan were mostly positive about the program.

A key strength of the Program was the opportunity it provided for NSWALC and LALC staff to work together. There was evidence that NSWALC staff assisted **LALCs to feel more confident** about exploring different business ideas NSWALC staff helped many LALCs put their business ideas into action. As part of the process of identifying and exploring different business opportunities, staff are **helping LALCs to have a more business minded approach**, which includes recognising potential business opportunities.

NSWALC staff also introduced LALCs to other agencies many of whom assisted the LALC with their business development activity. Some LALCs subsequently accessed funding from these agencies. Examination of fourteen different programs and funding opportunities for Aboriginal businesses, found that although some have similar products and services to the LALC Business Enterprise program, no other program provides tailored business support in a LALC specific context.

## NSWALC Employment and Enterprise program and Paradigm Resources

Although the review was undertaken at a point in time when NSWALC was preparing to renew and expand its economic activity, it was not possible to comment on the NSWALC Employment and Enterprise program as most of the activities had only recently commenced or had not started at all.

On the other hand, some conclusions relating Paradigm Resources were made. For example, it was found that Paradigm Resources had been adversely affected by the NSW Government's decision to expunge petroleum exploration licences, and by the delays in the release of the NSW Gas Plan and Strategic Release Framework.

## Conclusion and recommendations.

Overall, the three NSWALC Economic Development programs were found to have the potential to complement one another. However, to realise these benefits NSWALC needs to ensure there is adequate coordination and communication between the various business units and their programs.

A key recommendation of the review, was for the Economic Development Policy to be revised to reflect NSWALC's new Strategic Plan, to incorporate the findings of the review, and to better support the expansion of NSWALC Employment and Enterprises.