# ANNUAL REPORT 2019–2020

PART 1 OF 2
OVERVIEW AND
ACHIEVEMENTS

Always was Always will be

NEW SOUTH WALES



### **Acknowledgement of Country**

The NSW Aboriginal Land Council (NSWALC) acknowledge and pay respect to the Traditional Owners of the lands on which we work, and the lands we travel through. We also acknowledge our Elders – past, present and emerging.

All material in this publication is provided under a Creative Commons Attribution 4.0 international licence with the exception of any images, photographs or branding including New South Wales Aboriginal Land Council logos. In some cases a third party may hold copyright on material in this publication and their permission may be required to use the material.

See creativecommons.org/licenses/by/4.0. Material obtained from this publication is to be attributed as: © New South Wales Aboriginal Land Council 2019.

Design, layout and editing by Andrew Pegler Media Pty Ltd.

Icons sourced from Vecteezy. Additional pictures from UnSplash.

## PART 1 – OVERVIEW AND ACHIEVEMENTS

Annua	al Report overview
Le	tter to the Minister2
Ab	out us3
Me	essage from the Chair4
CE	O's foreword5
Our C	ouncil
Со	uncil's role and functions8
20	19 Council elections8
Со	uncillor profiles9
CE	0 profile13
Ou	r organisation13
Ou	r network13
The ye	ear in review
Ke	y highlights14
	WALC lodges historic ,000th land claim14
pro	WALC's COVID-19 relief ogram for remote and plated communities16
Bu	shfire assistance for LALCs17
	go's long road to bushfire covery continues17
Та	mworth Aboriginal Showcase18
Tre	elawney Station divestment19
	new database on Aboriginal Iture and Heritage sites19
	lebrating 40 Years at the NSW original Golf Championship 20
	e 49th NSW Aboriginal Rugby ague Knockout 201920
	rpa business member, NPMI, ns a major contract21
NS	WALC Educational Scholarships21
	Il steam ahead at Amaroo LALC22
NS	WALC Employment & Training
NS	WALC Housing Ltd Board23
	nancial summary24

#### Our Strategic Plan

Strategic Plan overview26
1. Secure our Land and Water Rights27
2. Protect our Culture and Heritage 29
3. Pursue economic independence and prosperity for our people30
4. Support our people35
5. Secure our future37
Meeting the goals of our 2019–2021 Strategic Plan Supplement50

#### PART 2 - STATUTORY INFORMATION

Governance	59
Workforce	62
Financial Statements	
- NSWALC	67
<ul> <li>NSWALC Properties Pty Ltd</li> </ul>	123
<ul> <li>NSWALC Resources Pty Ltd</li> </ul>	142
<ul> <li>NSWALC Employment</li> </ul>	
& Training Limited	158
<ul> <li>NSWALC Housing Limited</li> </ul>	180
Appendices	200

Parts 1 and 2 together constitute the full annual reporting requirements of the NSW Aboriginal Land Council.





### Letter to the Minister



New South Wales Aboriginal Land Council

ABN: 82 726 507 500 www.alc.org.au

30 October 2020

The Hon. Don Harwin, MLC Minister for Aboriginal Affairs 52 Martin Place SYDNEY NSW 2000

Dear Minister,

In accordance with the provisions of the *NSW Aboriginal Land Rights Act 1983*, the *Annual Reports (Statutory Bodies) Act 1984* and the *Public Finance and Audit Act 1983*, we are pleased to submit the 2019–2020 New South Wales Aboriginal Land Council (NSWALC) Annual Report.

Council is proud of the achievements and progress made this year towards fulfilling the goals of our Strategic Plan. As we enter the third wave of the modern Aboriginal Land Rights movement in NSW, we build on the strong foundations laid for NSWALC, the Aboriginal Land Rights network and the broader Aboriginal community of NSW.

Following the report's presentation in Parliament, it will be available for public access on NSWALC's website at <u>alc.org.au</u>.

We commend this report to you.

Yours sincerely,

**Anne Dennis** Chairperson **/Charles Lynch**Deputy Chairperson

**OUR LAND COUNCIL OUR MOB OUR FUTURE** 

www.ourmob.org.au

#### **About us**

The NSW Aboriginal Land Council (NSWALC) was formally constituted as a statutory corporation with the passage of the NSW Aboriginal Land Rights Act 1983 (the ALRA). The Act was passed following a Parliamentary Inquiry into Land Rights by the Legislative Assembly Select Committee on Aborigines, and the release of a government Green Paper proposing a scheme for land claims.

The ALRA provides a mechanism to make claims on limited classes of Crown Land. It also provides a fund for economic development, the purchase of land on the open market, and self-determination through a network of representative land councils.

The Statutory Investment Fund (the SIF) was established as part of the ALRA, and resourced for 15 years with an annual amount equal to 7.5 per cent of land tax on non-residential land. All government contributions to the SIF ceased in 1998. Since then, NSWALC has managed the SIF on behalf of the Aboriginal people of NSW.

Over the past 30 years capital growth has enabled NSWALC to cover its own operational costs, as well as a network of 120 Local Aboriginal Land Councils (LALCs) from a proportion of the SIF's earnings.

The specific functions of NSWALC, as set out in section 106 of the ALRA are:

- land acquisition
- overseeing the administration of LALCs
- policy and advice
- administration of statutory accounts
- Aboriginal Culture and Heritage
- financial stewardship.



### Message from the Chair

When our current Council, including five new Councillors, took office following the November 2019 NSWALC election, none of us could have predicted the challenges we would face in the coming year.

It was a year when bushfires and then floods devastated our Country. Together with the Regional Councillor and CEO, I travelled to the South Coast Region, to Bateman's Bay and Mogo, where the LALC office had been completely destroyed by fire. It was heartbreaking to see the devastation to people's homes, to Country and to wildlife, and astonishing to see the damage to roads and other infrastructure.

That devastation was soon followed by an even greater threat – the COVID-19 pandemic, which could have been catastrophic to our communities if it had taken hold. COVID 19 brought into stark relief the challenges that Aboriginal communities have been facing for many years: access to essential goods and services, issues around housing, homelessness and employment, as well as chronic health problems which can make so many of our people vulnerable to viruses of this kind.

But our communities and the Land Councils that serve them stayed strong. We offered relief and counselling to people affected by the fires and we started to rebuild the homes and offices that were lost.

We also supported communities to voluntarily isolate and worked with the NSW Government and Woolworths to urgently deliver thousands of relief packages to elderly people in remote parts of NSW. By the end of the reporting period, we had been able to keep the COVID-19 virus, which had killed so many people overseas, from entering our communities.

However, near the end of the reporting period another challenge was thrown our way with the destruction of the 46,000-year-old Juukan Gorge site in Western Australia by mining giant, Rio Tinto.

This incident highlighted the appalling state of Aboriginal cultural heritage protection – not just in WA but right around Australia, including here in NSW.

NSWALC responded to the Juukan Gorge destruction by establishing the First Nations Heritage Alliance, an unprecedented grouping of every major Land Council and Native Title group in Australia, to push for legislative reform and changes to industry practice.

The Alliance was just one of the ways NSWALC has continued to advocate for Land and Water Rights as well as Culture and Heritage protection. We have continued to support the claiming and acquisition of land, and the activation of that land for social and economic development.

We've also continued to support the 120 LALCs that are the foundation of our Land Rights movement. For many remote communities, the only thing they have is the LALC. If we took the Land Council out of communities like this, they would be left with nothing: no representation, no assistance, and no businesses contributing to the economy.

Every day I see how people in LALCs support and never lose faith in their communities. I admire how proud they are of their Culture and Heritage.

Despite all the setbacks, we are making a positive, lasting impact on our communities.

I would like to thank our members, the Land Council network, my fellow Councillors, as well as our hard working CEO and staff for all they have done to enable us to achieve so much in one of the most challenging years in our Land Council's history.

**Anne Dennis** Chairperson

#### CEO's foreword

The combined impacts of the drought, bushfires, floods and COVID-19 pandemic has made this one of the most testing years in our Land Council's history.

The economic impact of the COVID-19 global health crisis impacted the SIF balance, as can be seen in the investment section of this report. This means that the value of the investment fund has reduced but we still needed to continue to draw funds to support the network, deliver on Council's strategic plan, and support community through emergency relief like the bushfire response and food security programs. This has resulted in a reported negative net result, and a reduction in the value of the fund in the reporting year.

At its lowest valuation for the year, at the end of March 2020, the fund had dipped to \$591 million but recovered with an increase of \$28 million at year end. Notwithstanding that, with a value of \$619 million as at 30 June 2020, the fund maintains a value well above the Statutory limit of \$485.34 million set by section 150 of the ALRA.

Council continues to actively manage the fund and it performs well compared to other like funds. It is also important to realise that the fund is a long-term investment, we model for market fluctuations, and we can expect that the value will recover as market and economic conditions improve post-COVID-19.

To address the circumstances, Council convened several extraordinary meetings, and all Councillors attended the Investment Committee meetings with our investment advisers to take stock and ensure the investment strategy remained appropriate for the circumstances. Additionally, Council took the decision to significantly reduce expenditure from budgeted levels. From the Minister-approved budget for the year, we reduced operating expenses by 45 per cent and employee-related expenses by 20 percent to stay within the drawdown rule

that is modelled to ensure the long-term value of the fund is maintained over time. As much as possible has been retained in the SIF to grow in value as the economy recovers.

Council's governance and decision-making is supported by several committees made up of two Councillors on each, and independent experts in their fields of Finance, Audit and Risk, Governance, Economic Development, and Investments. I'd like to acknowledge the contribution of all the independent members of our committees. However, in this unusual year, I'd like to particularly thank the Chair and Independent member of the Investment Committee, Mr Joshua Bloom and Mr Mark Levinson for their time and expertise in advising Council how to navigate in these volatile times.

COVID-19 also presented an unprecedented challenge to NSWALC's operations and our network. Almost overnight, we had to transition our workforce to non-office-based operations. That this occurred so rapidly and smoothly is a real credit to our staff, particularly our IT team.

We also saw an immediate need to provide food and hygiene relief to vulnerable Aboriginal peoples and communities, and established the NSWALC Food and Hygiene Box program in partnership with Woolworths and the NSW Government. Around 4600 boxes were distributed to those in need.

While meeting all of these challenges, in 2019–2020, NSWALC maintained our focus on unlocking the full potential of our three greatest assets: the land we've reacquired, our cultural heritage and our people.

A priority for NSWALC has been our continued advocacy for government to meet its responsibilities under the ALRA. This year we made our 50,000th land claim and lodged a record number of 3232 new claims, a 50.5 per cent increase on the previous year. Regrettably, and true to the historic trend, less than 20 per cent of these claims were determined.

In addition, it was NSWALC's evidence that triggered the much-needed review by Chris Ronalds SC into the NSW Government's Land Negotiation Program. The program presents a significant opportunity to reduce the backlog of nearly 37,000 claims and to deliver land and non-land outcomes for our communities. However, it got off to a bad start with transactional and adversarial negotiations on the part of government officials, which undermined its intent. Now, as a result of the Review, the program is being redesigned in a way that will hopefully realise its full potential, noting that the administration of Aboriginal Land Claims continues to be core business.

Another focus during the year was legislative reform to ensure greater Aboriginal control over the protection and management of Aboriginal Culture and Heritage. For decades, successive governments have made promises to reform Aboriginal Culture and Heritage law. However, this is yet to occur, particularly in NSW. NSWALC was instrumental in establishing the First Nations Heritage Protection Alliance, a national body advocating for greater protection of Aboriginal Culture and Heritage to industry and government, including in NSW.

To support NSWALC's strategic agenda, we need to grow our economic base. The activation and use of our land for commercial returns is critical because it will ensure our future as distinct, self-determining peoples. It will also enable our families to be safe and to fully participate in community life.

Keys to this economic independence are stable, affordable housing and employment. The establishment of two new entities during the year, NSWALC Housing Limited (NHL), and NSWALC Employment & Training Limited (NET) is designed to achieve that.

The Yarpa Business and Employment Hub is another initiative that has taken-off this year, with over 1100 members joining across four membership categories. We partnered with the Commonwealth Government to establish the Hub in Liverpool. Yarpa

hosted a number of 'Meet the Buyer' events to connect Aboriginal businesses with procurement personnel in industry and government. Pop-up events were also held in regional areas throughout NSW.

NSWALC now has a family of entities that are game-changers in positioning the Land Rights system and Aboriginal communities to take their fair share of the economic prosperity enjoyed by many other Australians. These programs are designed and delivered by Aboriginal people, for Aboriginal people, because we know this achieves better outcomes.

The Council elections in November 2019 saw a number of long-serving Councillors retiring or not succeeding in their reelection campaigns. Of those retiring were two former former Chairs, Stephen Ryan Snr, and Craig Cromelin. They can be very proud of the tireless service they have given to our network.

Chair Roy Ah-See's resignation prior to June 30 2019 saw the elevation of Deputy Chair, Cr Anne Dennis to Chair and Cr Charles Lynch to Deputy Chair, with a smooth and effective transition. They maintained their positions following the election, which also saw five new Councillors elected, ensuring the Council has a mix of stability and fresh ideas.

Finally, but certainly not least, I want to thank the staff at NSWALC for their continued commitment and adaptability, particularly through the recent, challenging times.

This has been a tough year, but the resilience and professionalism of our network and our people has shone through. I have never been prouder to be a part of the Land Rights movement than in 2019–2020.

**James Christian, PSM** CEO



## Council's role and functions

Council consists of nine demographically-elected Councillors, elected by registered voting members of LALCs for a four-year term. One Councillor is elected to represent each of the nine regions in NSW. The elected Council then appoints a Chairperson and Deputy Chairperson for a two-year term, after which, they are eligible for re-election.

The statutory positions of Councillor are established under the ALRA. The role of each Councillor is to:

- direct and control the affairs of the Council in accordance with the ALRA
- participate in the allocation of the Council's resources for the benefit of Aboriginal people
- participate in the creation and review of the Council's policies and procedures
- review the performance of Council in the exercise of its functions and the achievement of its objectives
- represent the interests of LALC members and respond to concerns
- facilitate communication between LALC members and NSWALC.

#### 2019 Council elections

Five new faces joined the ninemember NSW Aboriginal Land Council, following state elections held on 30 November 2019.

New Councillors were elected in the Central, North Coast, Sydney–Newcastle, and Western regions. Incumbents were returned in the Mid-North Coast, North Western and South Coast regions.

There was a 10.78 per cent increase in the number of people enrolled to vote in the nine regions.

The NSW Electoral Commission conducted the election as in previous years, and several positive changes included postal vote availability for all electors and an extended postal voting period. Pre-poll voting was also offered in all regions for the first time, with additional options in the Sydney–Newcastle Region. Those who voted in person were able to do so at 35 locations across the state.

Three women now sit on Council, with new Councillors Grace Toomey in the Central Region, Leeanne Hampton in the Wiradjuri Region, and incumbent Anne Dennis in the North-Western Region.

Other new Councillors are Dallas Donnelly in the North Coast region, Abie Wright in the Sydney–Newcastle Region and Ross Hampton in the Western Region. Incumbents are Peter Smith in the Mid-North Coast region, Charles Lynch (uncontested) in the Northern Region and Danny Chapman in the South Coast Region.



### **Councillor profiles**

#### Councillor Anne Dennis (Chair): North West Region (continuing)



Anne Dennis is a Gamilaraay woman from Walgett. She served as a Board member of Walgett LALC for more than 10 years, and was appointed its Chief Executive Officer (CEO) in 2009. Cr Dennis is passionate about LALCs progressing towards independence and self-sufficiency through employment, better educational outcomes and social justice for Aboriginal people. A former teacher, Cr Dennis is a life member of the NSW Aboriginal Education Consultative Group.

#### Councillor Charles Lynch (Deputy Chair): Northern Region (continuing)



Charles Lynch is a Gomeroi man from Tamworth who has lived between Tamworth, Barraba and Quirindi all his life. He has been involved in the Land Rights network for more than 25 years in various capacities, and is also a member of Nungaroo LALC, a Board member of the Tamworth Aboriginal Medical Service and Walhollow Murri Aboriginal Enterprise Corporation. He was elected to Council in 2015. Cr Lynch is a Fellow of the Institute of Public Accountants and a graduate of the Australian Institute of Company Directors. He has a strong focus on empowering LALCs to build capacity, and determine their own direction through economic development and sustainable delivery of services for the betterment of members and communities as a whole.

#### Councillor Abie Wright: Sydney-Newcastle Region (elected December 2019)



Abie Wright is a descendant of Gommeroi, Anaiwan, Dunghutti and Wanaruah people from Newcastle. He is a musician and songwriter, and was a member of the award-winning hip-hop groups 'Local Knowledge' and 'Street Warriors'. Cr Wright was a joint founder of the Miromaa Aboriginal Language and Technology Centre and is a Board member of Awabakal, a service providing primary health care, aged care, child and family services to Aboriginal people living throughout the Newcastle, Lake Maquarie, Port Stephens and Hunter Valley regions. Cr Wright's late father Jimmy Wright was a respected leader and former Aboriginal and Torres Strait Islander Commission (ATSIC) Commissioner.

#### Councillor Leanne Hampton: Wiradjuri Region (elected December 2019)



Leanne Hampton is a Wiradjuri–Ngiyampaa woman from West Wyalong, and was the first female Deputy Mayor of the Bland Shire Council. Cr Hampton also served for 13 years as CEO of the West Wyalong LALC and, prior to that, ran her own hairdressing business. A member of the NSW Government's Aboriginal Culture and Heritage Advisory Committee, Cr Hampton is passionate about Aboriginal Culture and Heritage, and helping instill pride in young Aboriginal people.

#### Grace Toomey: Central Region (elected December 2019)



Grace Toomey is a Wiradjuri woman from Dubbo. Prior to being elected to NSWALC, she worked in local government for 25 years, most recently as the Aboriginal Liaison Officer for Dubbo Regional Council. She was a Board member of the Dubbo LALC for 10 years, and was Secretary of the Dubbo Aboriginal Community Working Party and Three Rivers Regional Assembly.

#### Councillor Danny Chapman: South Coast Region (continuing)



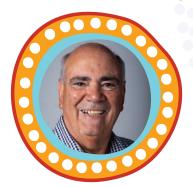
Elected in 2015, Danny Chapman is a Walbunga man from the Yuin nation, with experience and knowledge of Native Title and Aboriginal Fishing Rights. A major part of his education was learning how to fish and gather food from the sea and estuaries, and, as Chair of the NSW Aboriginal Fishing Advisory Council, he has advised government on Aboriginal Fishing Rights and practices. Danny has been involved in Aboriginal affairs at state government level for the past five years.

#### Councillor Peter Smith: Mid North Coast Region (continuing)



Peter Smith is a Dungutti man, originally from Kempsey, who has worked in the Taree region for three decades. He spent 13 years in the police service, 12 years with the Department of Health, and 13 years as Chairperson of Biripi Aboriginal Medical Service. He has worked in his local community in a number of different capacities, and is passionate about Land Rights, health equality, housing, Culture and Heritage. A Councillor since 2011, Cr Smith is a member of the Purfleet-Taree LALC, where he served as Chair for 10 years.

#### Councillor Ross Hampton: Western Region (elected December 2019)



A Ngiyampaa–Wiradjuri man, Ross was born in Lake Cargelligo, grew up in West Wyalong, and now lives in Irymple where he is a member of Dareton LALC. He was formally the Executive Director Operations and Family Services at Mallee District Aboriginal Services and NSWALC's Far Western Zone Director. Prior to joining NSWALC, Ross worked for Aboriginal Hostels Limited for 21 years, was an Executive Director with Aboriginal Affairs NSW, a Director of the Aboriginal Housing Office, and the Chief Executive Officer of the Murdi Paaki Regional Housing Corporation.

#### Councillor Dallas Donnelly: North Coast Region (elected December 2019)



Dallas Donnelly is a Bundjalung and Gumbaynggirr man from Grafton. He has previously served as the NSWALC North Coast Regional Councillor, and as the CEO of the Grafton-Ngerrie, Baryulgil Square and Ngulingah LALCs, and as an ATSIC Regional Councillor. Dallas is passionate about Aboriginal Heritage and Culture and will strive for change to get greater Aboriginal control and better legislative protection in his term.

#### Councillor Therese Malone: Sydney-Newcastle Region (to November 2019)



Theresa (Ellis) Malone is proud Warumungu and Gomeroi woman, who grew up in Mount Druitt in western Sydney. Cr Malone has been involved with the Land Rights movement since the early 1980s, and is passionate about equal access to safe and affordable housing options for Aboriginal people in NSW. She has served as a NSWALC Councillor for the previous Western Metropolitan Sydney region, Secretary and later Property Manager at the Gandangara LALC, and worked in the NSW public housing sector for almost two decades.

#### Councillor Craig Cromelin: Wiradjuri Region (to November 2019)



Craig Cromelin is a descendant of Ngiyampaa and Wiradjuri people. He is a long-standing member and former Chair of the Murrin Bridge LALC, and also chaired the former Wiradjuri Regional Aboriginal Land Council. Cr Cromelin has been a NSWALC Councillor since 2007, and was Chairperson from October 2013 to October 2015.

#### Councillor William Murray: Western Region (to November 2019)



Cr Murray is a Nari Nari man with a long connection to the Land Rights movement. Originally from Balranald, Cr Murray now lives in Wilcannia. He was elected to Council in 2015 after serving previous terms on Council, and has also served as a Councillor with ATSIC for the Murdi Paaki Region.

#### Councillor Stephen Ryan: Central Region (to November 2019)



Wiradjuri man Stephen Ryan is based in Dubbo. He has worked in a range of areas, dealing with issues such as family violence and land management, including five years with NSW Native Title Services. Cr Ryan is a member of the Dubbo LALC, and former Chairperson of both NSWALC and Dubbo LALC. He also served as a Councillor with ATSIC for the Binaal Billa Region.

#### Councillor Tina Williams: North Coast Region (to November 2019)



Tina Williams is from the Widjabul Wiabul Country of the Bundjalung nation. She is a long-term member of Ngulingah LALC, where she was Executive Secretary and then Coordinator for a number of years. Cr Williams has been involved in the Land Rights network for more than 20 years. She also worked at various levels of NSWALC for 11 years. She has an Advanced Diploma in Community Management and a Certificate IV in Frontline Management.

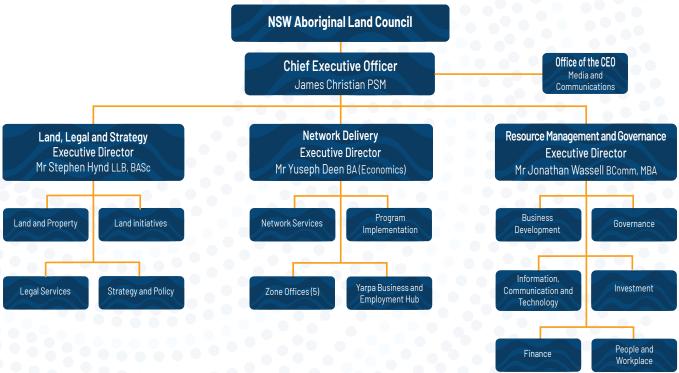
### CEO profile

James Christian is a Wiradjuri man from the Riverina area. He was appointed CEO of NSWALC in May 2017.

Mr Christian has extensive experience in the public sector at federal and state level. Before joining NSWALC, he served as National Group Manager, Disability, Employment and Carers at the Australian Government Department of Social Services. In NSW, he led Aboriginal Affairs, was Deputy-General of the Department of Ageing, Disability and Home Care, and CEO of the Aboriginal Housing Office.

In 2011, Mr Christian received a Public Service Medal for outstanding service in improving opportunities for economic participation and employment of Aboriginal people.

### **Our organisation**



#### Our network

NSWALC's network comprises the 120 LALCs, and the 25,000 Aboriginal people who are their members. LALCs manage and deliver a range of support services to their communities at the local level including housing, employment, training, Culture and Heritage, property acquisition and management.

The aim of the LALC structure is to achieve a high degree of participation and involvement by every Aboriginal person in the affairs of their local community.

Each LALC elects its own Board and appoints staff, with members able to access advice, information and support from NSWALC in relation to all aspects of Land Rights. LALCs are supported financially, and through relevant training and development, to build capacity for strategic planning and management of community affairs at the local level.



## NSWALC lodges historic 50,000th land claim

NSWALC notched-up a major milestone during the year with lodgment of its 50,000th land claim.

The historic claim was lodged on 16 October 2019 and referred to a parcel of land in the Wiradjuri region. The claim continued NSWALC's track record across more than four decades of advocating on behalf of all Aboriginal people in NSW.

Over the past 10 years, NSWALC has lodged more than 31,000 claims. This represents 62 per cent of all claims since the ALRA was introduced in NSW in 1983, and an average of 1348 claims per year. In 2019–2020, NSWALC lodged 2418 claims, accounting for 6 per cent of all claims lodged since 1983.





#### **NSWALC Food Relief Program**

- 4115
  orders placed for food boxes
- of boxes delivered to Aboriginal people in official discrete communities
- of boxes to Aboriginal peoples aged 70+ with a Healthcare concession card
- of boxes to Aboriginal peoples aged 60+ with a Healthcare concession card
- hygiene boxes
  distributed across
  several communities in
  regional/remote NSW
- \$3,008,000
  in funding committed
  to support 71 LALCs
  under the NSWALC
  Community Fund

#### LALC Business Enterprise Program

- two
  business development
  grants awarded
- early stage investment loans awarded
- funeral grants disbursed totalling \$705,261
- discretionary grants disbursed totalling \$97,036
- statewide sponsorship grants disbursed totalling \$251,714

#### NSWALC's COVID-19 Relief Program for remote and isolated communities

NSWALC launched an unprecedented statewide emergency assistance program in 2020 for isolated Aboriginal communities, in response to the COVID-19 pandemic and restrictions.

NSWALC committed to purchasing an initial 1000 Basics Boxes from Woolworths, the first of which were sent to Aboriginal communities in early April 2020. Council endorsed fund distribution through the Community Benefits Scheme at an Extraordinary Meeting in April 2020.

The relief program also led to a partnership with the NSW Government, aimed at identifying ways to continue assisting vulnerable Aboriginal communities.

One of the thousands of recipients was Wiradjuri Elder, 74-year-old Esther Cutmore, who went into isolation after the pandemic impacted classes at Cowra Public School, where she taught the Wiradjuri language.

Aunty Esther kept herself busy at home while isolated and was delighted to receive her food relief box.

"I really appreciate the package," she said.

"And it's a credit that NSWALC has gone to such a big effort to help community members like me. I was very happy to receive flour so I can keep baking, I've already had the pumpkin soup for tea, and I'm pleased that I now have rice and other basics in the cupboard."

You can read more about Aunty Esther on the NSWALC website here: <a href="https://alc.org.au/newsstories/wiradjuri-language-learning-during-the-coronavirus-food-relief-for-a-cowra-elder/">https://alc.org.au/newsstories/wiradjuri-language-learning-during-the-coronavirus-food-relief-for-a-cowra-elder/</a>

"... NSWALC has gone to such a big effort to help community members like me"



#### Bushfire assistance for LALCs

The 2019–2020 bushfire season was a devastating one, and thousands of members of the Land Rights network were impacted across NSW.

The NSWALC endorsed a comprehensive support and assistance package for LALCs on January 9, 2020, which was delivered in partnership with elected Councillors, other local Aboriginal community-controlled services and non-Aboriginal agencies.

Immediate support included the establishment of Local Bushfire Support Coordinators, who assisted LALCs and community members to access mainstream and Aboriginal-specific funds and support.



In the longer term, NSWALC continued to assist LALCs to manage construction projects as well as supporting LALCs to identify and assess Aboriginal Culture and Heritage sites impacted by the bushfires.

#### Mogo's long road to bushfire recovery continues

"I'll never forget the day I looked out over the ocean and it was completely jet black. I rubbed my eyes because I couldn't believe what I was seeing. The ocean, as far as I could see, was black with embers. And this was six weeks after the fires."

Linda Carlson, CEO of the Mogo LALC, says her community is still recovering from the bushfires that swept through Mogo in January.

The Mogo LALC's office was annihilated by the blaze, and dozens of community members were left homeless. Mogo shares terrifying memories with hundreds of other Australian communities.

They were launched into COVID-19 lockdowns with very little time to begin what was always going to be a very difficult road to recovery.

Linda Carlson says some of her main concerns are to keep the LALC functioning, assist community members with health concerns, and to advocate for traditional cultural burns as a valuable tool to help prevent future fire disasters.



## Tamworth Aboriginal Cultural Showcase

It was three nights of music, community, and culture at the Tamworth Aboriginal Cultural Showcase (ACS) in January 2020, now a major feature of the iconic Tamworth Country Music Festival.

The ACS is a colourful and energetic annual event featuring emerging and established Aboriginal musicians and dancers.

It is organised and run by the Tamworth LALC, and proudly supported by NSWALC as part of its Statewide Grants program.

More than 70 Aboriginal people participated in developing, managing, and producing the 2020 event, which also included a special Community Night to kick-off festivities.

Seventeen established performers and bands and 13 emerging performers delighted approximately 5,000 people from 6:00 pm each night on Peel St in the heart of Tamworth.





"More than 70 Aboriginal people participated in developing, managing and producing the event"



#### Trelawney Station divestment celebrated

NSWALC welcomed the divestment of Trelawney Station to the Tamworth LALC on 14 August 2019, following five years of discussions and planning with the Indigenous Land and Sea Corporation (ILSC).

The transfer was made official at a ceremony held at Trelawney and attended by representatives from NSWALC and the Land Rights network.

Trelawney is located near the village of Somerton, east of Tamworth, and is a 751 ha property on prime wheat, cattle and sheep country, fronting the Peel River. Tamworth LALC successfully applied for Business Development Funding under NSWALC'S Business Enterprise Program. The funding helped the LALC develop a comprehensive farm management plan.

The divestment will allow Tamworth LALC to build on an already successful farming venture, and strengthen its vocational training and cultural youth programs.



#### A new database on Aboriginal Culture and Heritage sites

A new database of registered sites of Aboriginal Culture and Heritage significance was made available to LALCs in May 2020.

The Aboriginal Heritage Information Management Systems (AHIMS) contains detailed information on over 93,000 registered sites of Aboriginal Culture and Heritage significance across NSW.

LALCs can access AHIMS via the NSWALC Geographical Information System (GIS) mapping tool, and see all recorded sites and places of Aboriginal Culture and Heritage significance within their Council boundary. This follows an agreement between NSWALC and the NSW Government for the dataset to be hosted and regularly updated in the GIS Mapping Tool.

The AHIMS database is one of the many outcomes NSWALC is delivering to LALCs to assist with growing sustainable and proactive Culture and Heritage programs. These programs support culturally strong and resilient communities.

The NSW Government will continue to administer the AHIMS database as prescribed in the *National Parks and Wildlife Act 1974*. This includes registering new sites, answering enquiries, and maintaining site-cards.

#### Celebrating 40 years at the NSW **Aboriginal Golf Championship**

More than one hundred avid golfers travelled to western Sydney on 11 October 2019 to compete in the 40th Anniversary NSW Aboriginal Golf Championship at Dunheved Golf Club.

The 2019 event honoured and celebrated 40 years of competition and the committee members who organised the first Championship in 1979.

The winners of the inaugural event 40 years ago were La Perouse legend Chooky Lester and Sonya (Scott) Hinkley.

The NSW Aboriginal Golf Championship offers players a top-class competition to showcase their skills, renew friendships, make memories, and share stories of missed putts and prodigious drives.



NSWALC is a proud sponsor of this significant sporting event through its Statewide Grants program.

#### Proudly supported by ...











#### The 49th NSW Aboriginal Rugby League Knockout 2019

Tens of thousands of people made their way to Tuggerah on the NSW Central Coast on the October 2019long weekend, for the very popular annual Koori Knockout.

NSWALC approved a grant of \$80,000 to the organisers under its Statewide Grants program and secured \$200,000 in Federal Government funding to support the Knockout for four years.

The NSWALC grant of \$1000 per team provided a fee discount for the first 80 male or female teams to register for the event.

NSWALC has helped teams get to the Knockout for decades to recognise the importance of the Knockout to Aboriginal communities across NSW and help ease the expense of fielding a team.

The 2019 Champions were the South Coast Black Cockatoos and the Wellington Wedgetails.

Thousands of people were relaxed in the NSWALC Speakers Tent, Elders caught up with friends over a cuppa, and audiences were treated to live onstage yarns with NRL players over three days as part of NSWALC's podcast 'A Cuppa and a Yarn'.





#### Yarpa Business Member, NPMI, wins a major contract

Narrabri Showground is having a major facelift, and one of Yarpa's Indigenous Business Members, NPM Indigenous (NPMI), is integral to the new look.

NPMI succeeded in winning a major contract for project management of 24 site upgrades across NSW in March 2020. The contract is funded by the NSW Department of Planning, Industry and Environment (DPIE).

The Narrabri Showground work included replacing the caretaker's residence and numerous safety upgrades around the ground.

NPMI's success was fast tracked because of its Yarpa Hub membership. The company has connected with multiple business opportunities in NSW through participating in Yarpa networking events.

It has also increased its capacity and capability by regularly attending Yarpa training and development workshops, and engaging with other Yarpa Indigenous Business Members.

You can find out more about the exciting opportunities available at the Yarpa NSW Indigenous Business and Employment Hub here: <a href="https://www.yarpa.com.au/">https://www.yarpa.com.au/</a>

#### **NSWALC Educational Scholarship**

The NSWALC Educational Scholarship was launched in 2019 with a paid internship to complement the package.

The NSWALC Educational Scholarship provides two \$10,000 scholarships across NSW and is aimed at Aboriginal students in their penultimate year at university. A six-week internship also gives recipients experience and support on their pathway from education into employment.

The Scholarship's inaugural recipients in 2019 were Allynta Sutherland and Taylah Gray. Allynta said her internship with the Strategy and Policy Unit gave her practical insight into how to cultivate her future work, and she was delighted to have the opportunity, while Taylah said her

work with the Legal Services Unit greatly assisted her research ability.

"I've gained valuable legal knowledge on how the Aboriginal Land Rights Act 1983 (NSW) and the Native Title Act 1993 (Cth) operate. Once I complete my degree, I plan on writing a PhD focusing on the relationship between Native Title and Land Rights," said Taylah.

Fields of study may include law, finance, business, media and communications, human resources, land & environment, planning, policy, or property management.

The Scholarship round opens in July each year and more information is available here: <a href="https://alc.org.au/educational-scholarship/">https://alc.org.au/educational-scholarship/</a>





#### Full steam ahead at Amaroo LALC and Nyinanhambu Barri (Our Place)

NSW bushfires, floods and a global pandemic meant unprecedented challenges across the Land Rights network in 2019–2020, but that didn't hold back a café and pre-loved clothing store in the NSW town of Walcha.

The café, Nyinanhambu Barri, meaning Our Place in the Dunghutti language, is the brainchild of Amaroo LALC, which planned for two years before opening its doors.

The LALC was successful in gaining a \$50,000 NSWALC loan through its Business Enterprise Program, and another loan with Social Enterprise Funding Australia (SEFA) to supplement LALC funds.

Just weeks after opening in November 2019, Nyinanhambu Barri won a contract to provide 120 meals a day for Rural Fire Service volunteers stationed at Carrai Creek during the 2019 bushfires.

Amaroo LALC CEO Mark Davies and his staff travelled 40 minutes each way for each meal – to cook and serve breakfast and dinner and deliver lunch packages to the firefighters.

Since then, the café has continued to grow and implement COVID-safe measures through the Coronavirus pandemic.

It continues a safe home-delivery service, has increased staff to three-full time and five casual, expanded its kitchen twice, and is considering building a new courtyard area for al fresco dining!

Mark says he's immensely grateful to NSWALC for its long-running support in making the idea a reality, and to the community for embracing Nyinanhambu Barri.

"We're very proud of our business venture and are thankful that we get customers from multiple cultures into our store. People from Tamworth, Guyra and as far away as Newcastle, pop in for an indigenous feed when they're in the area," he said.

Nyinanhambu Barri serves up great tucker from 8:00 am to 8:00 pm, seven days a week, at 36 Derby St, Walcha NSW.



"People from Tamworth, Guyra, and as far away as Newcastle, pop in for an indigenous feed"





#### **NSWALC Employment & Training Limited**

It's been a busy start to 2020 for the NSWALC Business Development Unit, with the appointment of an independent board to lead NSWALC Employment & Training Limited (NET).

NET has also been successful in becoming a Vocational Training and Employment Centre (VTEC) provider. This means that Aboriginal and Torres Strait Islander job seekers in our service areas will be supported on their employment journey by specialists and mentors, and be provided with job-specific training to help them get the job they want and remain employed over the long term.

Appointments to the Board come after an extensive merit-based, competitive selection process.



NET Board members are Glenn Johnston (Chair), Professor Mark McMillan (Deputy Chair), and Directors Cecilia Anthony, Karen Cooper, Amanda McCarthy, Kate Russell.

Established in 2019, NET is an Aboriginal-controlled entity and NSWALC is the sole shareholder.

#### **NSWALC Housing Limited**

NSWALC Housing Limited (NHL) announced the appointment of an independent Board in February 2020.

NHL has been established to deliver significant improvements in housing outcomes for Aboriginal people in NSW.

It aims to achieve this by increasing available housing, expanding culturally sensitive services, and creating opportunities for Aboriginal people to participate in the service delivery, management and governance of social and affordable housing in the state.

Appointments to the Board come after a merit- based competitive selection process and members offer extensive industry experience.



NHL Board members are Michelle Craig (Chair), Matt Clarke (Deputy Chair), and Directors Mike Allen, Michael Gannon, Duane Keighran, Barry Mann, Renee Thomson.

Established in 2019, NHL is Aboriginal controlled, and NSWALC is the sole shareholder.



### Financial summary

#### Financial result in 2019-2020

Detailed statutory financial statements and the Independent Auditors Report for the 2019–2020 financial year are included in Part 2 of this annual report. The following is intended to provide a summary of the financial result but is not intended to be read as a comprehensive statement of financial position.

This year, for the first time, NSWALC is reporting the Consolidated financial statements, with separate figures or statements for the 'Parent' and 'Controlled' entities. This reporting framework will enable our stakeholders to view the financial position of NSWALC 'central' separate from the new subsidiary entities, NSWALC Employment & Training Ltd and NSWALC Housing Limited. While you will see that the figures for the parent entity are generally not too different from the consolidated figures for this year, in future, as the controlled entities expand according to their business growth plans, we expect that there will be a greater difference and that this is useful information for our stakeholders.

Net result

The 2019–2020 has been a year like no other. The global economic impact of COVID-19 has impacted the SIF balance, which is shown in the Investment report section. This means that the value of the SIF was reduced but we still needed to drawdown funds to support the network, deliver on Council's Strategic Plan, and support communities through emergency relief in the bushfire response and food security programs. This has resulted in a reported negative net result, and a reduction in the net equity of NSWALC during the reporting year.

Despite this, the SIF continues to be well managed and performs well compared to other similar funds. It is also important to realise that the fund is a long-term investment and we can expect that the value will recover as market and economic conditions improve post-COVID-19.

Therefore, during the mid-year budget review, Council made the decision to significantly reduce expenditure from budgeted levels. This ensured that as much as possible was retained in the SIF to grow in value as the economy recovers.

#### Revenue

As the Consolidated financial statements summary (opposite) shows, the balance of the SIF was significantly reduced compared with budget. This occurred mostly in the second half of the year due to the financial impact of COVID-19 and is further explained in the investment report section.

Somewhat offsetting this reduction in value of the SIF was a greater than expected revenue, from grants and subsidies and other revenue, which included \$1.4 million in the government's COVID-19 subsidy and \$2.6 million in Community Development Levy contributions.



#### **Expenses**

It is in the expenses section of the Consolidated financial statements summary (below) that Council's decision to reduce the drawdown of funds from the SIF by limiting expenditure is shown. Employee-related expenditure was \$5.1 million (or 20 per cent) less than budgeted. (As noted, this includes the employee expenses for the subsidiary companies.) The reduction in expenses from budget was achieved through holding positions vacant and managing with existing staff to deliver on Council's priorities.

Other operating expenses were managed even more tightly with a \$11.6 million (or a 45 per cent) reduction from the budgeted levels. This was achieved through reducing expenditure on non-essential activities such as consultancy fees, travel, and a reduced NSWALC contribution to the Water and Sewerage Program.

#### Net equity

Overall, the impact of the reduction in revenue, and maintaining a reduced level of expenditure, resulted in a reduction in the net equity position of NSWALC, by 9.36 per cent from last year, to a balance as at 30 June 2020 of \$636 million.

## Consolidated financial statements summary (includes subsidiaries revenue and expenses)

	2019-20 Minister-approved budget \$000	2019-20 Consolidated statements \$000	Variance over/under budget \$000
Revenue			
Net investment gain/(reduction)	48,754	(6,430)	(55,184)
Grants and contributions	408	4,922	4,514
Other revenue	751	4,778	4,027
Total revenue	49,913	3,270	(46,643)
Expenses			
Employee-related expenses	25,500	20,407	(5,093)
Funding to LALCs	17,967	17,239	(728)
Other operating expenses	25,809	14,185	(11,624)
Total expenses	69,276	51,831	(17,445)
Net result	(19,363)	(48,561)	(29,198)



### Strategic Plan overview

The NSWALC Strategic Plan 2018-2022 (the Strategic Plan) reflects the purposes of the ALRA to:

- provide for Aboriginal Land
   Rights and representative LALCs
- vest land in those Councils through claim and acquisition
- provide for community benefits.

The Strategic Plan provides the foundation on which to make the visions and aspirations of NSWALC a reality.

It also reflects the objectives of NSWALC to improve, protect and foster the best interests of Aboriginal peoples in NSW.

Successive Councils of NSWALC have nurtured the SIF over the past 35 years. Since government contributions ceased 20 years ago it has grown continuously, and resourced the operations of NSWALC and its network of 120 LALCs. The current Council and its successors have a responsibility to continue that stewardship.

Effective stewardship of the SIF alone cannot deliver our long-term vision for Aboriginal people. The Council of NSWALC needs to make decisions, recognising that:

- diversification of our economic activities with new enterprises is needed to deliver integration with, and a fair share of, the NSW economy
- the SIF needs to be an exemplar of our self-determination: it is Aboriginal money, managed by Aboriginal people, for the benefit of future generations of Aboriginal people
- the SIF can be a driver for NSWALC and LALC initiatives but its overwhelming purpose must be as a long-term, beneficial resource for all Aboriginal people in NSW, and it must continue to grow as an inheritance for future generations.

#### Annual Supplement 2019-20

With our second annual Strategic Plan Supplement, the Council of the NSWALC is building and further shaping our strategic agenda. We continue to sharpen our business-as-usual operations, and refine and add to our emerging business activities.

It is a necessarily big strategic agenda, to grab the opportunities we have and impact on our people's lives.

The Strategic Plan Supplement, in conjunction with the Strategic Plan 2018–2022, is our required Community, Land and Business Plan (CLBP). It identifies the strategies for the current financial year that will achieve the five long-term objectives and goals of our Strategic Plan 2018–2022 (available here: <a href="https://alc.org.au/strategic-plan-2018-2022/">https://alc.org.au/strategic-plan-2018-2022/</a>).

The Strategic Plan Supplement is prepared as part of our integrated annual planning and reporting processes. In the coming financial year, we will be placing a stronger emphasis on regular reporting to LALCs by committing to quarterly reports, in addition to our annual report.

Our stretch targets remain deliberately high; we are determined to see our people and our efforts driven by high expectations.

"... we are determined to see our people and our efforts driven by high expectations"



### Secure our Land and Water Rights

While we have secured the return of over 250,000 ha of land, realising our full social, cultural and economic outcomes from returned land and access to water remains unfulfilled.

NSWALC continues to advocate for the return of Aboriginal land. In 2019–2020:

- 2418 land claims were lodged
- 280 land claims were granted
- 1159 land claims were refused or part refused
- five appeals commenced against the Minister's refusals.

In the past three years there has been a 63 per cent increase in the number of land claims granted (Figure 1).

#### **Aboriginal Land Agreements**

The ALRA was amended in 2015 to introduce Aboriginal Land Agreements (ALAs), which allow for negotiation of multiple land claims, including for the return of land not otherwise claimable under the ALRA and other non-land outcomes to improve cultural, social and economic outcomes for Aboriginal people.

NSWALC is working with DPIE on the design of the refreshed Land Negotiation Program, under which LALCs will be able to participate in negotiations for ALAs in relation to land within their footprint.

#### **GIS Mapping Tool**

The GIS Mapping Tool continues to be improved with more reliable data and additional data sources. The tool will greatly assist in land claim and land management processes.

#### Water Rights

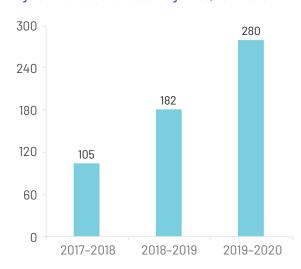
Water is central to our culture and crucial to our social and economic well-being. There are many steps needed to achieve our goal of securing Water Rights for Aboriginal peoples in NSW (see the Story of change graphic opposite). NSWALC has engaged with LALCs directly affected by the water crisis, and also fostered relationships with key stakeholders such as Northern Basin Aboriginal Nations Ltd (NBAN), Murray Lower Darling Rivers Indigenous Nations (MLDRIN) and NTSCORP.

NSWALC has been invited to sit on the NSW Aboriginal Water Advisory Group to advise the NSW Government on water strategies in NSW, and the development of a statewide Aboriginal water policy. LALCs are also being consulted on NSW Regional Water Strategies being prepared by the NSW Government.

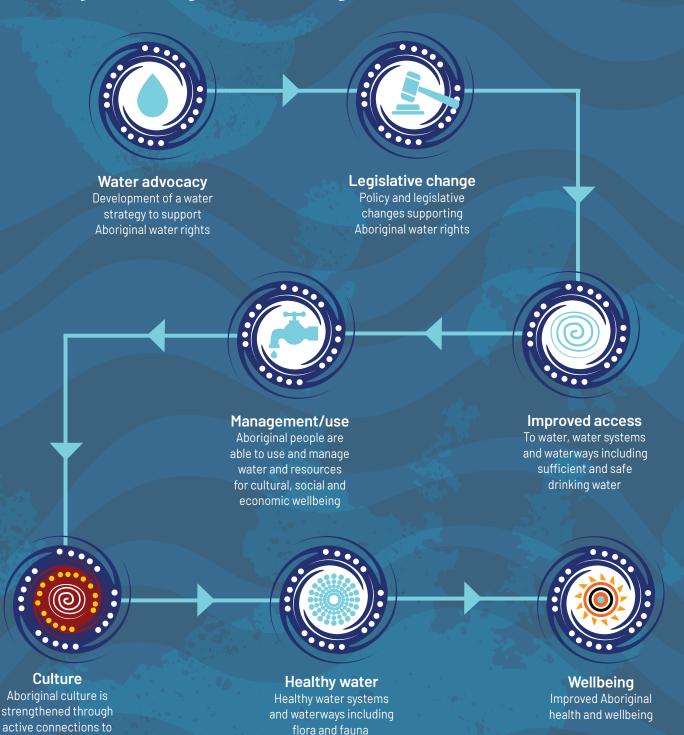
As part of our advocacy work, NSWALC has submitted various submissions including:

- Independent Assessment of Social and Economic conditions of the Murray-Darling Basin 2019
- Draft Water Sharing Plan review of Barwon-Darling Unregulated and Alluvial Water Sources
- Australian Freshwater Study
- Water Amendment (Indigenous Authority Member) Bill
- appearance at a Senate Inquiry public hearing on the management and execution of the Murray-Darling Basin Plan.

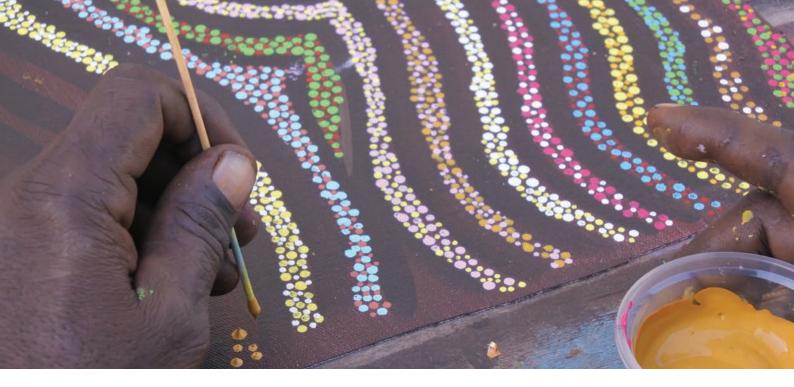
Figure 1: Number of land claims granted, 2017-2020.



## Story of change - Water Rights



water and resources





## **Protect our Culture and Heritage**

As Aboriginal people, we are the descendants of the oldest living human culture in the world. Our Culture and Heritage are essential to our survival as distinct and self-determining people.

NSWALC has continued to advocate for new Aboriginal cultural heritage legislation that increases protections and enables decision-making by Aboriginal people.

We lodged various submissions to the Commonwealth and state governments highlighting the impacts to Culture and Heritage during the recent bushfire crisis, and advocating for greater Aboriginal land management practices in natural resource and landscape management.

As part of our advocacy work NSWALC jointly established the First Nations Heritage Protection Alliance to advocate for nationwide reforms. The Alliance is made up of Land Councils and Native Title groups from around the country.

NSWALC has also had ongoing engagements with NTSCORP on Aboriginal Culture and Heritage Reforms, and the Aboriginal Cultural Heritage Advisory Committee (ACHAC), through our representative on ACHAC.

We continued to support the network on Culture and Heritage matters, including presenting at regional forums and providing advice to LALCs.

## Aboriginal Culture and Heritage Program

NSWALC has developed an Aboriginal Culture and Heritage Plan to ensure our Culture and Heritage is managed consistently and effectively across the Land Rights network. NSWALC has made the statewide register of Aboriginal sites available to all LALCs as a geographical dataset hosted on NSWALC's GIS Mapping Tool. Training has been delivered to LALCs across the network on how to access and use the tool.

We have also partnered with the FireSticks Alliance Indigenous Corporation and are currently developing a strategic workplan to achieve mutual outcomes in Aboriginal natural resource and landscape management.

To effectively manage the repatriation, protection and celebration of Aboriginal artefacts, cultural and ceremonial items, and ancestral remains, an Aboriginal Artefact Strategy has been developed.

NSWALC continues to work closely with key state government agencies and LALCs on Aboriginal Culture and Heritage management.



Restoring economic independence and prosperity to our communities is essential to our survival as a distinct and self-determining people.

#### **Commercial Development Plan**

A Commercial Development Plan was released in 2018 but a new approach is also being developed to enable LALCs to engage with NSWALC and additional resources for:

- land acquisition
- land management
- land activation.

The new approach incorporates all of NSWALC's land functions, from land claims to NSWALC Development, via a Commercial Development Plan.

Complimentary systems for NSWALC's GIS Mapping Tool are currently being explored to allow development of a statewide database.

#### **Economic Development Policy**

## Supporting LALCs to pursue economic development opportunities

NSWALC continued to support LALCs in their economic development aspirations through the LALC Business Enterprise Program. In 2019–2020 two Business Development Grants for business feasibilities and three Early Stage Investment Loans were awarded, as well as providing ongoing support to LALCs that have previously accessed the LALC Business Enterprise Program.

Through the program, NSWALC is helping to support a range of different business initiatives. These include the purchase of a bus to help with community transport and generate income for a LALC, the establishment of a café and Op Shop, and the purchase of a 751-hectare property for an agribusiness.

We are also helping LALCs to develop a more business-minded approach and recognise potential business opportunities. This is beginning to have an impact on whole communities, with one LALC commenting, "A year ago our community was nothing – there was nothing out there ... But now we have put a bit of pride back in our community."

The LALC Business Enterprise Program works with a number of different agencies to assist LALCs with their business enterprises, and has been successful in leveraging funding to help LALCs realise their business aspirations. For example, NSWALC's loan to a LALC to establish a café and Op Shop reduced the risk for other lenders and the LALC was able to obtain additional funding to make their dream a reality. To date, the business is operating successfully and has already paid its interest-bearing loan in full. Other success stories include the Trelawney Station divestment.

The impact on business and employment from COVID-19 is likely to see an increasing need for the LALC Business Enterprise Program across communities, and NSWALC is committed to assisting LALCs with their business needs.

NSWALC also seeks business co-funding partners, wherever possible, to obtain the best commercial outcome for LALCs.

The LALC Business Enterprise Program is administered by NSWALC's Program Implementation Unit (PIU). Figures 2 to 6 describe the activities of the PIU in implementing the program. (NB: data is captured for the first six months of the financial year prior to the COVID-19 pandemic.)

Figure 2 : Number of engagements with LALC Business Enterprise Program, per zone.

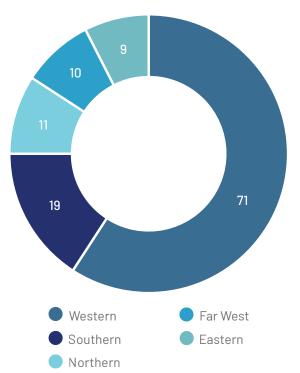


Figure 4 : Number of engagements with LALC Business Enterprise Program, per region.

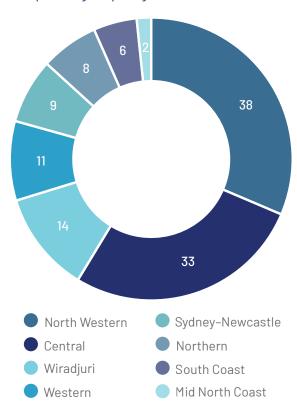


Figure 3 : Referral pathways for the LALC Business Enterprise Program.

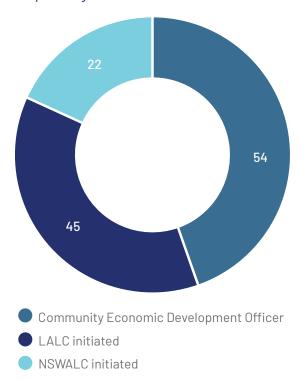
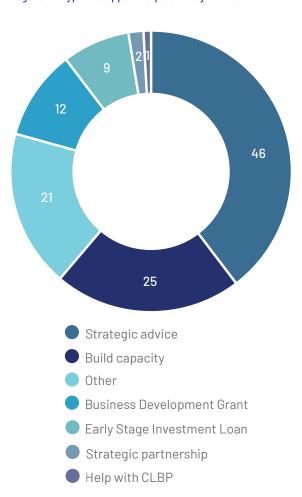


Figure 5 : Type of support requested by LALCs.



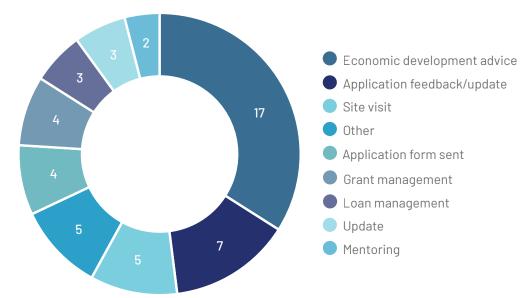


Figure 6: Type of assistance provided to LALCs.

#### LALC Business Enterprise Program

#### 2019-2020 highlight

### Amaroo LALC : Op Shop Early Stage Investment Loan

Prior to the application for an Early Stage Investment Loan the Amaroo LALC had been successful in obtaining a Business Development Grant, so that an industry expert could be engaged to deliver a business case for their business idea. The business case was positive.

Subsequently, Amaroo LALC were successful in securing an Early Stage Investment Loan to commercialise the Amaroo LALC's Op Shop in Derby Street, Walcha through investment in a complementary café.

The aim of the Amaroo LALC commercialisation of the Op Shop is to provide meaningful work for the mob, and return a profit to the Amaroo LALC so they can invest the proceeds back into the community.

The Early Stage Investment Loan combined with investment from the Amaroo LALC, leveraged co-funding from SEFA to enable the full early stage capital requirements to be met. This capital was invested in upgrading the premises and installing a café, and giving the necessary cash flow to reach break-even and profitability.

The Amaroo LALC's business is going from strength to strength. They recently seized the opportunity to supply food and drink to emergency services during the bushfires and, as a result, the LALC was able to repay their commercial loan from SEFA early.

## Implementation to pursue NSWALC Enterprises

## Land development and construction capability

In April 2018 Council endorsed a proposal to establish a land development and construction capability.

For more than 40 years NSWALC and the Land Rights network has diligently claimed land from the Crown Estate in accordance with rights bestowed under section 36 of the ALRA. Throughout that period the network has seen more than 3200 successful claims vested in LALCs throughout NSW. As a result of these successful claims, the network is one of the largest private landholders in NSW.

The NSWALC 2018–2022 Strategic Plan identifies the need to enhance the economic wellbeing of Aboriginal people via a land development program activating these significant land holdings.

In response to the Strategic Plan, NSWALC:

- is engaged with several LALCs to initiate development and other land activation projects within their boundaries, including residential subdivisions, commercial and industrial opportunities
- has obtained specialist legal advice to ascertain the most appropriate corporate and governance structures for an ongoing development program
- is working with corporate and government partners including Lendlease, the Clean Energy Finance Corporation and DPIE to refine a proposal to government for new, additional social and affordable housing in regional NSW
- recently submitted multiple stimulus proposals to government for repairs and maintenance grants, and a secondary dwelling (granny flat) program
- is finalising a submission to the Board of the ILSC to acquire and redevelop 160 George Street, Redfern
- is establishing a Development Committee, containing appropriatelyexperienced industry professionals, to assess and recommend projects to the NSWALC Council.

NSWALC Development is targeting commencement of 5-10 feasible development projects during the 2020–2021 financial year, with further expansion during 2021–2022.

#### Pursue divestment of 160 George Street Redfern

NSWALC continues to pursue the divestment of 160 George Street Redfern. NSWALC's vision, design and due diligence has been developed. ILSC have concluded community consultations and are working with NSWALC to finalise the divestment roadmap.

#### **NSWALC Housing Limited**

In January 2019 NSWALC Housing Limited (NHL) was incorporated and registration was achieved in February 2020. NSWALC's strategy is available on the NSWALC website with a summary report on feedback from consultations.

During the financial year we adopted a:

- Governance Charter
- Strategic Charter
- Strategic Growth and Business Plan.

An independent Board has been appointed to lead NHL. NSWALC Chair Anne Dennis said the Board are highly experienced and brought a range of skills to the organisation from relevant industries.

"The new Board members come from areas such as real estate, employment, banking law and social housing. I'm really pleased we have such high-calibre professionals to guide the direction of NHL."

NSWALC has established NHL to ensure that Aboriginal organisations take their fair share of future growth opportunities. NHL has gained registration at Tier 2 level within the National Regulatory System for Community Housing. The establishment of NHL provides the government with an additional strong partner and opportunities to deliver large-scale transfer of stock to the Aboriginal community-controlled sector.

## Establishment of a not-for-profit public company limited by guarantee

NSWALC Employment & Training Ltd (NET Ltd) was established in June 2019. NET Ltd is Aboriginal controlled and NSWALC is the sole shareholder.

An independent Board has appointed to lead NET Ltd. NSWALC Chair Anne Dennis said the Board members have high levels of expertise in a range of relevant fields.

"I'm delighted that the directors have agreed to use their substantial professional skills to steer the company direction, and support Aboriginal people to secure and retain sustainable employment. They are experts in their fields and come from areas such as procurement, the reconciliation movement, industry and the Land Rights network."

An Olympus Solutions VTEC contract was novated to NET Ltd in December 2019. In February 2020, Olympus Solutions Aboriginal staff transitioned to NET Ltd and the contract was extended to July 2022.

Due to COVD-19, Council has deferred funding for non-VTEC elements of NET Ltd to mid-2021. Pre-planning and design are continuing for the launch in 2021.



#### Yarpa – the Western Sydney Indigenous Business and Employment Hub

The Yarpa Indigenous Business and Employment Hub (Yarpa) was launched by NSWALC in July 2018.

Yarpa is the first hub to be established under the Australian Government's Indigenous Business Sector Strategy. It was established to assist Aboriginal businesses and job seekers to build their capabilities, and capitalise on numerous opportunities arising through the Western Sydney City Deal and investment in major infrastructure projects across NSW.

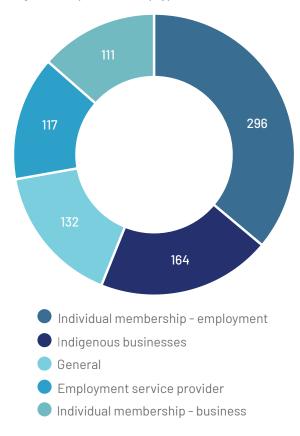
Originally operating from NSWALC headquarters in Parramatta, the Yarpa relocated to a co-working space in Liverpool in May 2019. Yarpa is now fully operational with service offerings developed across:

- business
- employment
- industry support.

Yarpa memberships have grown significantly since inception (Figure 7) and, with ongoing engagement and promotion of our services, we anticipate further growth. Despite the impact of COVID-19 during quarters 1 and 2 of 2020, we remain committed to supporting Aboriginal businesses and job seekers.



Figure 7: Yarpa membership types.



#### **NSWALC Fishing Fund**

The NSW Fishing Fund is now open and has been developed to provide sustainable economic outcomes for Aboriginal people and communities in the wild harvest, aquaculture and charter fishing industries.

During the 2019–2020 year NSWALC received 15 EOIs and six full applications. \$125,737.00 was disbursed to two successful applicants, and 100 per cent of applicants were satisfied or very satisfied with the application process.

## 4 Support our people

Everything we do, we do for our people. Without the growth of social wellbeing, security and employment for our people, reacquiring our land will be hollow and securing our economic independence will be impossible.

## Continue to represent and advocate for the interests and rights of Aboriginal people in NSW

NSWALC continues to participate in, and support the work of the Coalition of Aboriginal Peak Organisations (CAPO) as Co-Chair and Secretariat. NSWALC continues to contribute to the National Coalition of Aboriginal and Torres Strait Islander Peak Organisations to develop the new National Agreement on Closing the Gap.

CAPO undertook 29 consultations across NSW on Closing the Gap. In total, 597 people participated in the consultations, which ran from 14 October to 6 November 2019. NSWALC actively contributes to negotiations on the new Closing the Gap agreement, priority reforms and targets including land, water, economic development, housing, culture and language.

The National Agreement was signed by all governments and the national Coalition of Peak Organisations in July 2020.

The National Agreement signals a turning point in the relationship between Aboriginal and Torres Strait Islander people and governments – one that is based on shared decision making on policies and programs that impact Aboriginal and Torres Strait Islander people's lives.

NSWALC has developed a Human Rights Strategy to maximise and enhance NSWALC's advocacy and human rights agenda, increase strategic partnerships, and situate existing initiatives in a broader human rights framework.

In July 2019, A NSWALC delegation attended the Expert Mechanism on the Rights of Indigenous People in Geneva. Due to COVID-19, a number of United Nations forums have been postponed or cancelled. Instead, NSWALC has provided written contributions to the United Nations to continue our advocacy work. NSWALC also worked with a coalition of non-government organisations across Australia to prepare a report on Australia's human rights record, ahead of a review of Australia at the United Nations in November 2020.

### Social Impact Evaluation Framework

A Social Impact Evaluation Framework has been developed and will be implemented in the 2020–2021 year.

#### Freddy Fricke Scholarship

NSWALC has changed the name of the Freddy Fricke Scholarship to the NSWALC Educational Scholarship. Two successful applicants were awarded a \$10,000 scholarship and completed a six-week internship with NSWALC.

#### **NSWALC Community Fund**

The 2009 amendment of the ALRA established the NSWALC Community Fund (NCF) and the Community Development Levy (CDL) that funds it. The NCF was devised as a wealth re-distribution mechanism to redistribute wealth from LALCs with more valuable land holdings to those with less valuable land and development opportunities. Since 2015, NSWALC has administered four funding rounds of the NCF, with a total of \$3,008,000 committed in support of 71 LALCs.

At the close of the 2018 funding round, Council determined that after four years of operating there was sufficient experience, and quantitative and qualitative data available to conduct an independent review of the NCF Policy and Procedures. Social Ventures Australia (SVA) were engaged in late 2018 to conduct the review, which included attendance at regional forums; one-to-one consultations with LALCs, NSWALC Councillors and staff; an online survey; and a desktop review of the over 50 procedural documents and data spreadsheets. Following the review, SVA submitted recommendations to improve the overall impact of the NCF Policy, which included amendments to the Policy and Procedures.

The NCF Policy is a s.113 Policy under the ALRA, and the creation, amendment or revocation of these policies requires NSWALC to abide by the provisions of s.114. That is, to refer the policy to each LALC for comment, consider any submissions made by a LALC within 30 days of the referral of the Policy, and obtain the approval of the Minister to the Policy.

Given the requirements of the ALRA, the NCF remained on hold during the 2019–2020 FY to undertake the necessary steps to seek an amendment. On 1 August 2019, Council approved the referral of the proposed amendments to the NCF Policy for consultation with the Land Rights network along with a suite of amendments to the NCF Procedures. NSWALC commenced consultation on 23 August 2019, with LALCs able to provide comments and submissions until 4 October 2019.

The proposed amendments were accepted by the LALC network and approved by the Minister for Aboriginal Affairs on 13 March 2020, after which the new NCF Policy and Procedures were implemented. The funding round for the 2020–2021 FY commenced on 1 July 2020.

#### **NSWALC Funeral Fund**

NSWALC has been providing funeral assistance grants to support bereaved Aboriginal families for over a decade. The scheme is uncapped and responds to demand for funeral assistance from year-to-year.

In 2019–2020 a total of 447 grants were made at a cost of \$705,261.

#### **NSWALC** Regional Grants

In 2018–2019 NSWALC approved a Community Benefits Scheme to provide small regional grants totalling \$90,000.

In 2019–2020 there were 152 grants totalling \$92,036. The grants assisted Aboriginal people and community groups in NSW to participate, promote and support the following:

- art and crafts, and sporting activities
- Aboriginal cultural understanding and respect
- personal development opportunities
- health and wellbeing.

#### **NSWALC Statewide Grants**

In 2019–2020 a Community Benefits Scheme was approved to provide support for statewide events totalling \$251,714.

Grants for statewide events in 2019–2020 were approved for:

- 49th NSW Aboriginal Knockout
- 40th Anniversary NSW Aboriginal Golf Championship
- Lloyd McDermott Rugby Ella 7s
- NAIDOC Week Schools' Initiatives
- 2020 Saltwater Freshwater Festival
- Tamworth Aboriginal Cultural Showcase 2020
- Baime's Ngunnhu Festival\*
- Elders Olympics\*
- National Indigenous Fire Workshop\*



<sup>\*</sup> These events were postponed due to the COVID-19 pandemic. NSWALC looks forward to supporting these events when they are rescheduled, and when it is safe to do so.

## 5 Secure our future

We have stewardship responsibilities to ensure that a stronger Aboriginal Land Rights system is handed to the next generation.

## Continue to provide support for the effective and efficient operation of LALCs

During 2019–2020 NSWALC offered funding agreements to eligible LALCs for their operational costs, to the value of \$150,145. Support and assistance was provided via Assistance Agreements and Essential Payments to the relevant unfunded LALCs, in accordance with the NSWALC LALC Funding Policy.

The Council-approved grants are remitted to the LALCs in direct payments under a funding agreement, unless the funding to a LALC is ceased due to regulatory or funding agreement compliance failure. In such cases, NSWALC will make indirect payments to the LALC's creditors under an Assistance Agreement for the services of LALC's operating costs and expenses. Nevertheless, NSWALC may, in its sole discretion, make indirect essential payments for a non-complying LALC to protect or to preserve the LALC's assets or to avoid incurring significant liabilities.

Discussions were held with LALCs on the revision and updating of CLBPs, and NSWALC continued to provide advice and assistance to LALCs on:

- conducting Board Elections and casual vacancies
- conducting mandatory governance training (and other training as required)
- mediation and facilitation
- conducting RAS meetings (notably those LALCs in a high-risk category)

- accepting and reviewing periodic financial reports for LALCs in medium and high-risk categories
- recording, managing, responding or referring complaints quarterly to NSU, wherever applicable.

NSWALC provided section 159(2) ALRA Reports to the Minister for Aboriginal Affairs on funding and compliance of the LALC network, actively managed Complaints Management and Reporting, and is in the development stages of a LALC Assurance System.

The principal purpose of the section 159(2) ALRA Report is to determine whether LALCs have complied with the financial obligations imposed by Part 8 of the ALRA and NSWALC Funding Policy on the provision of funding to LALCs. This determines the LALC's entitlement to receive NSWALC Councilapproved grants for payment of the LALC's costs and expenses.

- Statewide, 63 LALCs (54.3 per cent of the 116 operating LALCs) are categorised as low risk in the current assessment.
- 42 of 63 LALCs in the low risk level have achieved full score of 100 per cent in their current risk assessment.
- 11 LALCs have been assigned high-risk level in the current assessment
- No LALC has a current RAS in which it has failed to score 'at least 50 per cent.
- 10 LALCs, including four non-operating LALCs (Stuart Island, Ivanhoe, Wanaaring and Winbar) do not have a current RAS as at the reporting date.
- Statewide, as at 30 June 2020, 109
   LALCs are compliant and in the funded category, which is an increase of four from the beginning of the current financial year, and 24 more than six months ago, i.e., 31 December 2019.
- 11 LALCs (including three under administration and four non-operating LALCs) are not compliant and, hence, unfunded at the reporting date.

Figure 8 : Direct and indirect payments against approved grants.

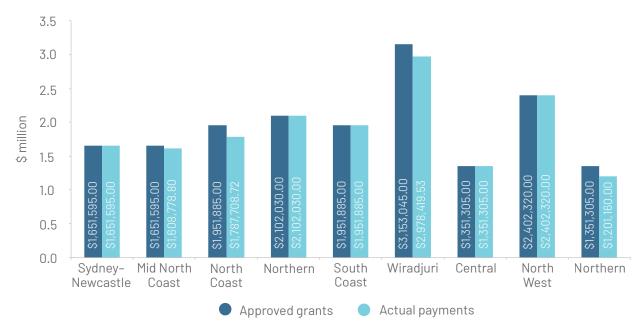


Figure 9: LALC funding categories, compliant and non-compliant.

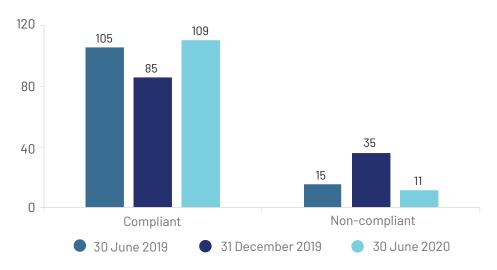
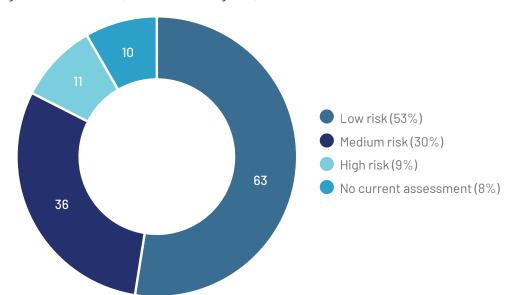


Figure 9: LALC risk level (low, medium and high risk).





NSWALC appointed Advisors to the following LALCs – Mungindi, Thungutti and Red Chief. Advisors commenced activity during the reporting period, however, some of their work has been hampered due to COVID-19 restrictions. Advisors are working remotely with Boards and LALC CEOs, where possible.

During 2019–2020 the Minister for Aboriginal Affairs approved the appointment of an Administrator to Deniliquin LALC, Cowra LALC and Condobolin LALC.

Quality assurance was provided by NSWALC on LALC Grant Allocation releases, Community Benefit Scheme (CBS) and CBS (Residential Accommodation). NSWALC zone offices were prevented from visiting LALCs during the 4th quarter due to COVID-19 restrictions, however, zone offices continued to provide a range of support to LALCs using phone, internet or video conferencing facilities.

The NSWALC LALC Capacity Development Plan is being operationalised. During the reporting period, the following LALC capacity development resources have been finalised:

- LALC CEO Resource Guide
- Introduction to Financial Management package for Board members
- LALC Chairperson and Deputy Chairperson Guide.

Significant progress has also been made in relation to the design of a bespoke LALC CEO training course that would be delivered by an external RTO. NSWALC has sought EOIs from a number of RTOs in relation to the delivery of this course. The course is made up of approximately eight units from a range of accredited business services modules, and is aimed at increasing the capacity of LALC CEOs to undertake their core functions.

#### Highlights

#### Nulla Nulla LALC

After many years of substandard housing, the Nulla Nulla LALC received funding from the Department of Aboriginal Affairs to rebuild the housing stock located on the Alice Edwards Village Reserve. The total project cost of \$3,461,000 was allocated to rebuild 13 properties and communal toilets.

The following LALCs have been granted Roads to Home funds:

- Bellwood Reserve, Nambucca LALC (Nambucca Shire Local Government Authority [LGA])
- Bowraville, Bowraville LALC (Nambucca Shire LGA)
- Cabarita, Forster LALC (Mid-Coast LGA)
- Gingie Mission, Walgett LALC (Walgett Shire LGA)
- Gulargambone Top, Weilwan LALC (Coonamble LGA)
- La Perouse Mission, La Perouse LALC (Randwick LGA)
- Namoi Reserve, Walgett LALC (Walgett Shire LGA)
- Narwan Village, Armidale LALC (Armidale Dumaresq LGA)
- Three Ways, Griffith LALC (Griffith LGA)
- Wallaga Lake/Koori Village, Merrimans LALC (Eurobodalla LGA).

#### Weilwan LALC

The Weilwan LALC was successful in obtaining a Roads to Home Subdivision Grant of \$1,625,343 and an EPA grant of \$50,000.

#### Mutawintji LALC

NSWALC funded the Mutawintji LALC 20th hand back anniversary, held at the Mutawintji National Park on 28 September 2019.

#### Advocate for and consult on establishing a Treaty/ies process in NSW

NSWALC continues to advocate for a treaty/treaties process in NSW, and has continued to advocate for governments to adopt the Uluru Statement from the Heart.

## Continue to grow and exercise responsible stewardship of the NSWALC Statutory Investment Fund

The NSWALC SIF was established under the ALRA. For 15 years (1984–1998) the ALRA provided guaranteed funding, equivalent to 7.5 per cent land tax on non-residential land in NSW. Payments were made to NSWALC as compensation for land lost by the Aboriginal peoples of NSW. During this period, half of the funds were available for land acquisition and administration. The remainder was held in a statutory account to build a capital fund that would provide future and ongoing resources.

The total funds allocated were \$537 million. Of this amount \$268.5 million was deposited in the SIF. Over the first 15 years of the Council's existence the capital accumulated and, in December 1998 when the land tax payments stopped, it was valued at \$281 million. Since then, NSWALC and the LALC network have been self-funded.

#### Current management and value

At 30 June 2020, the SIF was valued at \$619 million compared with \$667 million at 30 June 2019. This is the effect of a \$5.493-million, unrealised decrease in the value of the investments, when marked to market, and the net effect of expenditure from the fund. The reduction in the unrealised value of the fund is a direct result of the impact of COVID-19 on investment markets.

#### Where our money goes

A major proportion of NSWALC's annual budget is directed to funding LALCs. This funding is delivered in grant allocations of \$150,145 to each funded LALC, for assistance with administrative costs. This totalled \$17.239 million or 39 per cent of the drawdown of \$44.29 million from the SIF for the year ended 30 June 2020.

The direct funding to the Land Rights network accounted for 51 per cent of the drawdown made during the year. The balance of the drawdown funded the operational expenditure of the network including the administrative costs of NSWALC and LALCs. The required drawdown for 2020–21 is expected to be \$50.57 million.

#### Investment and growth of the SIF

The SIF provides compensation for future generations, and prudent financial management is essential to maintain its growth. While NSWALC has substantial sums invested, the current provisions of the ALRA limit spending to the realised income and interest from investment, less the allowance for inflation.

The Investment Mission for the SIF is to:

- at least maintain the purchasing power of the fund over the long term, having regard to the specific nature of the underlying funding responsibilities of NSWALC
- provide a stable and growing level of distributions for funding NSWALC's ongoing activities
- at least preserve the indexed book value of the assets.

The Council has defined this Investment Mission as a set of measurable real return and downside risk objectives.



#### Real return objective

Invest so as to have a greater than 66 per cent probability of achieving a return objective of the Consumer Price Index plus 4 per cent over 10-year rolling periods.



## Downside risk objective

Limit the probability of a negative return in any given year to less than 20 per cent.



Table 1: The objectives of our investment strategy that sit alongside Council's Investment Mission.

Mission and governance	Implication
1. Investing	The SIF's assets should be invested according to its Statement of Investment Objectives Policy (SIOP).
The SIF is a perpetual means of providing for future Aboriginal generations	The SIF's investment strategy should seek to maximise returns over the long term, subject to risk objectives outlined in the SIOP. Expenditure should be set to a sustainable level (formalised in expenditure policy).
The principal time horizon of the SIF is relatively long term	The SIF is willing to accept short-term losses for longer-term gains. The primary performance assessment criteria should be long-term focused (five plus years).
4. Investing in a mixture of things will minimise the risk impact if one of them goes wrong	The SIF should be well diversified in a variety of different asset classes (i.e., not have all its eggs in one basket).
5. The Council is supported by the Investment Committee and Executive team in its decision-making process	The Executive should drive the investment agenda in conjunction with the Investment Committee.
6. Beta is the principal driver of risk and return (rather than alpha)	More time should be spent on strategies (including fund structure and strategic asset allocation) than manager selecting and monitoring.
7. Diversification into different risk premiums can increase the investment efficiency of the portfolio	Consideration will be given to introducing appropriate diversity to the SIF, including liquidity and insurance premiums.
Alpha exists, but the challenge is to find and successfully employ it	The SIF should only utilise alpha in markets where it has great confidence in both the alpha opportunity, and its skill to successfully hire and fire managers.
9. Environmental, social and governance (ESG) factors can impact investment risk and return, as well as the long-term sustainability of Aboriginal land, culture and communities	We require investment managers to identify and manage ESG risks and opportunities and will incorporate this is into manager selections and monitoring.
10. Active ownership is important to creating sustainable investment returns and providing for currer and future generations of Aboriginal people	t require investment managers to exercise good stewardship,

Table 1: The objectives of our investment strategy that sit alongside Council's Investment Mission (cont).

#### Mission and governance

#### **Implication**

- 11. The impact of the Council's investments on Aboriginal people is important, and the Council will balance expected risk-adjusted return against the positive or negative impacts on Aboriginal people
- The Council's investment strategy is primarily focused on maximising risk-adjusted investment returns over the long term. It may, on occasion, allocate capital to investments with a lesser expected financial return, where there is strong evidence of substantial benefits for Aboriginal people. It may also exclude investments where there is strong evidence of substantial negative impacts on Aboriginal people, provided the overall investment objective is not compromised.
- 12. Transparency is important to sustainable investing and is a pillar of good governance

The Council is committed to acting transparently ourselves and expects transparency on ESG issues from the managers we invest with and the companies we invest in. We will request regular ESG reporting from our investment managers, and encourage them to request such reporting from underlying companies.

These beliefs are used in evaluating all investment decisions. As a result, NSWALC has divested itself of holdings in alcohol and tobacco.

The technical aspects of investment decisions are provided through the combined advice of the external asset consultant, NSWALC's Executive, and the Investment Committee. In addition, the drawdown rule adopted by Council provides a formal process for managing NSWALC's liabilities.

In calculating the projected drawdown, the drawdown rule factors in the previous drawdown, average asset value and long-term spending rate. The annual future drawdown is equal to 70 per cent of the drawdown in the previous year, and 30 per cent of the average asset value in the previous year, multiplied by the long-term spending rate. Therefore, the projected maximum drawdown for expenditure in 2020–2021 is 8.3 per cent of the investment balance. This constraint on the drawdown from NSWALC's investments will ensure that it is able to fund its activities in perpetuity.

#### **Investment Committee**

The Investment Committee remains the primary source of all investment recommendations to the Council.

In 2018–19, Mr Joshua Bloom was the Independent Chairperson of the Investment Committee. Mr Mark Levinson was the other independent member of the Committee. Both have provided their services on a pro bono basis. Council representatives on the committee during the period were Councillors Charles Lynch and Abie Wright.

The Investment Committee held six meetings during the reporting period:

- 5 July 2019
- 23 August 2019
- 25 February 2020
- 19 March 2020
- 1 May 2020
- 2 June 2020.

#### Investment decisions

Significant investment decisions during the year included the appointment of Fund Manager J P Morgan to our Unlisted Infrastructure portfolio as well as the funding of the investment with Antin and First Sentier.

Table 2: Position of the SAA and DAA as at 30 June 2020.

Asset class	SAA(%) 30.06.20	DAA(%) 30.06.20	SAA after DAA positioning (%) 30.06.20
Australian shares	14.0	-	14.0
Overseas shares (large cap)	24.2	-	24.2
Overseas shares (small cap)	2.8	-	2.8
Emerging markets	5.0	-	5.0
Unlisted property	10.0	-	10.0
Unlisted infrastructure	10.0	-	10.0
Australian Inflation Linked Bonds	5.0	-	5.0
Diversified Fund of Hedge Funds	7.5	-	7.5
Absolute Return (Fixed Income - Global)	10.0	-	10.0
Australian Fixed Interest	6.5	-	6.5
Cash	5.0	-	5.0
Total	100	-	100

#### **Modelling outcomes**

NSWALC commissioned testing of the current SAA against the return and risk tolerance statements, using our asset consultants' capital market assumptions as at December 2019.

Strategic objective	Current strategy (%)
<b>Invest</b> to have a greater than 66 per cent probability of achieving a return of the Consumer Price Index plus 4 per cent, over rolling 10-year periods	66.1
Limit the probability of a negative return in any given year to less than 20 per cent	17.4

Portfolio expected outcomes	20 years (% pa)
Return	66.1
Risk	17.4

#### Investment performance

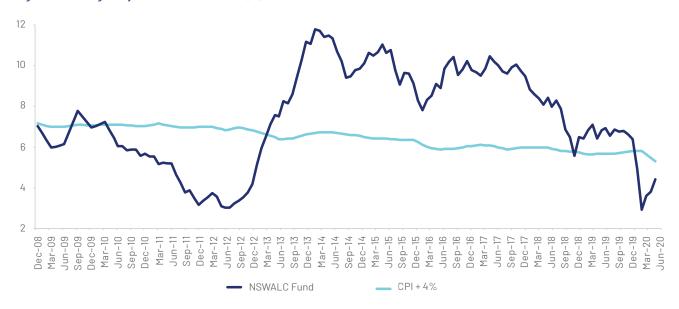
The investment portfolio provided a return of negative 0.9 per cent against a benchmark 3.6 per cent for the 12 months to 30 June 2020, and 7.5 per cent against a benchmark of 5.9 per cent for the 10 years ended 30 June 2020.

Performance to benchmark, total portfolio returns as at 30 June 2020

Table 3: Performance summary (%, returns net of fees).

	1 mo	3 mo	1 yr	3 yrs	5 yrs	7yrs	10 yrs
NSWALC Total Fund	0.6	6.4	-0.9	4.0	4.4	6.6	7.5
CPI +4%	-0.3	-0.9	3.6	5.1	5.3	5.6	5.9
Excess return	0.9	7.3	-4.5	-1.2	-0.9	1.0	1.6

Figure 10 : Rolling five-year annualised returns (%).



#### Performance against peers

NSWALC's investment rationale is to promote diversity across asset classes and fund managers, however, this is contrary to the belief that the funds should be invested solely with NSW Treasury Corporation. To ensure NSWALC's investment rationale is sound, the performance of its portfolio is compared to similar investment portfolios with comparable investment objectives.

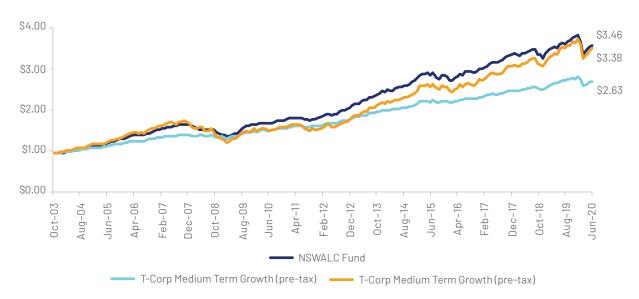
When compared with two TCorp investment portfolios held by NSW Treasury Corporation (Table 4, Figure 11) and two Mercer median portfolios held by other institutions (Table 5, Figure 12), NSWALC's investment position is validated by its portfolio's strong performance relative to that of its peers. The comparison clearly shows the NSWALC portfolio's performance to be less volatile, and better performing over the different market cycles than either the TCorp or Mercer investments.

#### Performance to T-Corp as at 30 June 2020

Table 4: Performance summary (%, returns net of fees).

	1 mo	3 mo	1 yr	3 yrs	5 yrs	7yrs	10 yrs
NSWALC Total Fund	0.6	6.4	-0.9	4.0	4.4	6.6	7.5
T-Corp Long Term Growth (pre-tax)	1.5	7.8	1.2	6.6	6.3	8.2	8.5
T-Corp Medium Term Growth (pre-tax)	0.4	3.9	0.4	3.9	4.0	5.0	5.7

Figure 11 : Performance of the NSWALC portfolio compared with TCorp investment portfolios, 30 November 2003 to 30 June 2020, based on growth of a dollar.

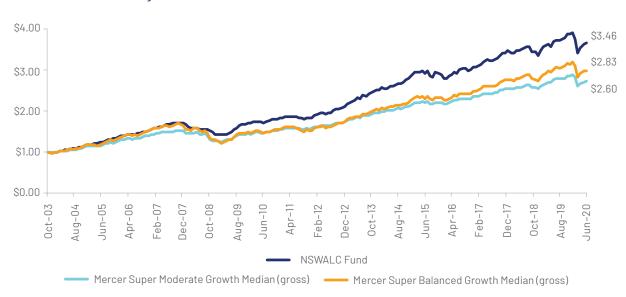


#### Performance to Mercer as at 30 June 2020

Table 5 : Performance summary (%, returns net of fees).

	1 mo	3 mo	1 yr	3 yrs	5 yrs	7yrs	10 yrs
NSWALC Total Fund	0.6	6.4	-0.9	4.0	4.4	6.6	7.5
Mercer Super Balanced Growth Median (gross)	0.8	8.0	-1.0	4.6	5.1	6.7	7.0
Mercer Super Balanced Growth Upper Quartile (gross)	0.9	7.1	4.8	8.9	9.2	10.6	10.9
Mercer Super Moderate Growth Median (gross)	0.8	4.6	-0.4	3.9	4.4	5.6	6.2
Mercer Super Moderate Growth Upper Quartile (gross)	0.9	5.5	3.3	8.8	7.1	8.3	8.9

Figure~12: Performance~of~the~NSWALC~portfolio~compared~with~Mercer~investment~portfolios,~30~November~2003~to~30~June~2020,~based~on~growth~of~a~dollar.





#### Council elections

Increase member participation in the NSWALC election

The NSWALC Election was held 30 November 2019 and administered by the NSW Electoral Commission.

Nominations opened for the election on 8 October 2019 and closed on 5 November 2019.

Fifty-one candidates nominated across the nine NSW Aboriginal Land Council regions. Following the close of nominations, only one nomination was received for the position of councillor for Northern Region. In accordance with clause 46 of the Aboriginal Land Rights Regulation 2014, Charles Lynch was declared elected for Northern Region on 5 November 2019.

Councillors elected at the 2019 election:

- Central Cr Grace Toomey
- Mid-North Coast Cr Peter Smith
- North Coast Cr Dallas Donnelly
- North-Western Cr Anne Dennis
- Northern Cr Charles Lynch
- South Coast Cr Danny Chapman
- Sydney/Newcastle Cr Abie Wright
- Western Cr Ross Hampton
- Wiradjuri Cr Leeanne Hampton.

NSWALC developed promotional materials and regularly promoted the NSWALC Election.

The election cost approximately \$947,000 (excluding GST).

Prior to the election a number of amendments were made to the Aboriginal Land Rights Regulation 2014 to improve election processes and bring them into line with state and local government practices.

# Continue to publicly position its brand through effective communication and marketing of its works and activities, including launching a new website

NSWALC is developing an effective communication and marketing plan, which includes a comprehensive content plan and calendar.

LALCs have reported an increased awareness of NSWALC's sponsorship of events. A communications plan has been developed to enhance the narrative of NSWALC's sponsorship activity and broaden engagement with LALCs.

In 2020, NSWALC media and communications will integrate digital methods to gauge and measure awareness and engagement. There has been considerable traction of NSWALC's digital footprint and subsequent social media following over a sustained 12-month period.

A new website has been developed and was launched in July 2020 (available here: <a href="www.alc.org.au">www.alc.org.au</a>). NSWALC has seen increased online engagement and improved integration with other NSWALC services (e.g., members and employment opportunities). NSWALC's social media following has been captured through a commitment to compelling content development and engagement. This will escalate with the new website functionality, which will be aligned over time to our own social media channels.

#### Develop and implement a Members Engagement Strategy to improve membership

NSWALC has increased touch points with LALCs through a more structured network message process, which provides trackable data and analytics around reach and engagement. The introduction of the new website will be complemented by a thorough content program to proactively reach out to LALCs and deliver greater storytelling of achievement and interest.

#### Youth Engagement Strategy

Seven Youth Advisory Committee members were part of the NSWALC delegation attending the Expert Mechanism on the Rights of Indigenous Peoples (EMRIP) in Geneva in July 2019. The Youth Advisory Committee successfully hosted a side event at EMRIP. During the side event, each committee member identified the relevance of Articles contained in the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) to priority issues in their home communities. Priority issues for the committee members included the need for culturally-relevant education, language revitalisation and the need to combat racism in all its manifestations.

While also attending EMRIP, two members of the committee drafted and delivered two interventions focusing on:

- rights to remain on Country
- removal of Indigenous children from family and Country
- the role and value of Indigenous parliamentarians, particularly female parliamentarians.

After attending the EMRIP, Youth Advisory Committee members participated in various public speaking engagements to share their respective insights and learnings.

NSWALC has developed a Youth Engagement Strategy, guided by the Youth Advisory Committee.

The Youth Advisory Committee continues to meet quarterly.



#### Implement Capacity Development Plans

#### Council

A Council Induction Pack has been developed along with a Council training plan with the Newcastle University. Council have undertaken training with Professor Anne Brewer of Newcastle University during the reporting period.

#### **NSWALC** staff

NSWALC built and implemented a performance management framework for Managers. In December 2019 this was rolled out to executive directors, who subsequently wrote and agreed to their performance plans. In June 2020 those plans were reviewed and performance-based pay attributed.

The SMG performance framework is ready to be rolled-out and relied upon the executive directors completing and endorsing up-to-date role descriptions for their direct reports. That task was completed in June 2020. In the ensuing period, the focus for executives was diverted to bushfires, food relief and COVID-19. Plans are afoot to launch the SMG performance agreements by end of 2020.

The Aboriginal Employment Strategy working group advised that the Local Government Capability framework, endorsed by Council during 2019 was to be subject to their review. Particularly the development of a suit of Aboriginal Competencies. To date those competencies have not been circulated or endorsed.

#### LALC Board and staff development

The NSWALC LALC Capacity Development Plan is being operationalised and has been rolled-out to new Board members by zone offices. During the reporting period, the following resources have been developed:

- LALC CEO Resources Guide
- Introduction to Financial Management package for Board members
- LALC Chairperson and Deputy Chairperson Guide.

Significant progress has also been made on the design of a bespoke LALC CEO training course that would be delivered by an external RTO. NSWALC has sought expressions of interest from a number of RTOs in relation to delivery of the course. The course is made up of approximately eight units from a range of accredited business services modules, and is aimed at increasing the capacity of LALC CEOs to undertake their core functions.

## Review the LALC compliance and regulatory framework

NSWALC has contacted several LALC CEOs to participate on a committee to review the regulatory framework. A co-designed Terms of Reference has been created, and an initial review has been conducted on the compliance and regulatory framework.

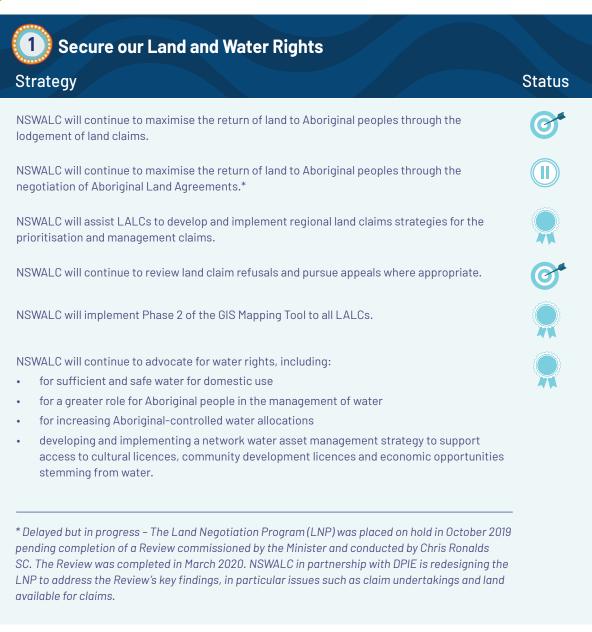
# Develop a compliance and regulatory framework to monitor and response to NSWALC performance

Compliance requirements across NSWALC have been considered. Input was obtained from each business unit on each area's compliance requirements. A draft compliance policy and procedures has been developed and is currently going through the review process.

# Meeting the goals of our 2019–2020 Strategic Plan Supplement

Performance against our strategic goals as at 30 June 2020

# Status guide Being achieved / on track Significant progress Needs attention (low risk) On hold







Status

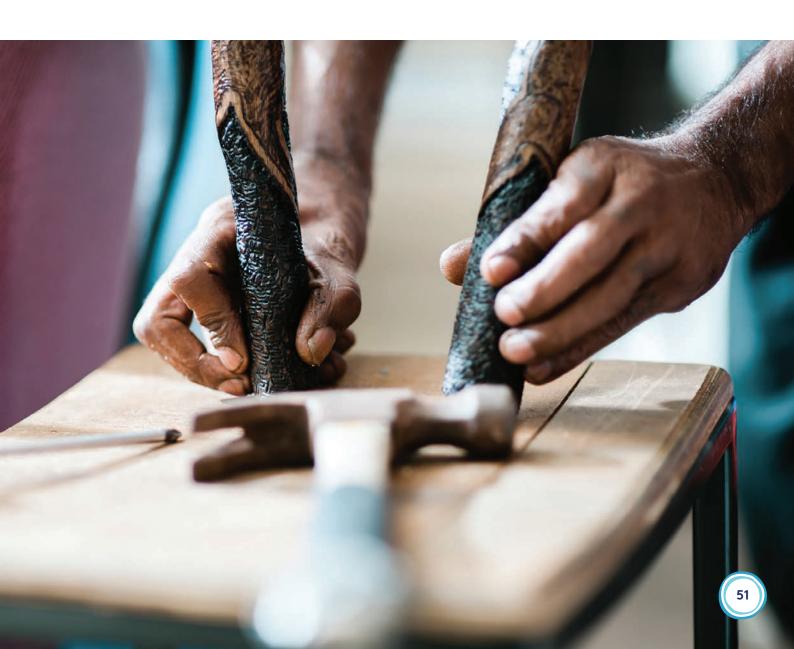
NSWALC will continue to advocate for legislative protections for Aboriginal Culture and Heritage that:



- builds on Aboriginal Land Rights
- provides proper protection for Aboriginal Culture and Heritage
- gives control and decision making to Aboriginal peoples
- protects Aboriginal knowledge and incorporates data sovereignty principles.

Finalise and implement the Aboriginal Culture and Heritage program.







#### 3) Pursue economic independence and prosperity for our people

Strategy

NSWALC will implement the NSWALC Commercial Development Plan by:

- developing and implementing a network land asset management strategy
- developing and implementing a specific NSWALC portfolio plan
- identifying and developing property opportunities for the network.

NSWALC will continue to implement the NSWALC Economic Development Policy to support LALCs to pursue economic development opportunities.



NSWALC will continue to implement the NSWALC Economic Development Policy to explore opportunities in the resource development sector.\*



NSWALC will continue to implement the NSWALC Economic Development Policy to pursue NSWALC Enterprises in:

- land development and construction capability
  - establish NSWALC Land Development & Construction entity and commence a pilot development project



- pursue divestment of 160 George Street, Redfern to NSWALC.
- Aboriginal Housing Capability
  - complete development and commence implementation of the NSWALC Strategy on Aboriginal Housing



- · employment services, training and employment brokerage capability
  - establish a not-for-profit public company limited by guarantee to build on our partnership with Olympus Solutions to deliver employment, training, workforce mobilisation and other related services in our own right.



Yarpa Business & Employment Hub will deliver a full service, offering to support Aboriginal businesses and job seekers.



Finalise and administer the NSWALC Fishing Fund, to assist Aboriginal people to take part in the fishing industry.



<sup>\*</sup> The strategic environment for NSWALC Resources remains in flux, with limited releases of the NSW Government Gas Plan to date and the contrary rhetoric of the Commonwealth Government's 'Gas-led COVID recovery'. NSWALC Resources is currently positioned to monitor and evaluate movement in the strategic environment while minimising expenditure, and remains poised to reposition to capitalise on opportunities.





Status

NSWALC will continue to represent and advocate for the interests and rights of Aboriginal people in NSW, including:

continue to participate in and support the work of the NSW Coalition of Aboriginal Peak
 Organisations and the Coalition of Aboriginal and Torres Strait Islander Peak Organisations



• develop and implement a NSWALC Human Rights strategy to capitalise and coordinate the Council's domestic and international advocacy.



Develop a social impact evaluation framework to measure the community impact from all NSWALC strategies and initiatives.



Freddy Fricke Scholarship – make available two \$10,000 scholarships (male and female student) for a paid 6-week internship in a NSWALC Business Unit of the Scholarship holder's discipline.



NSWALC Community Fund – implement a revised community fund program.



NSWALC Funeral Fund – continue to provide funeral assistance grants to support bereaved Aboriginal families.



NSWALC Regional Grants – continue to make available small discretionary grants in each NSWALC region in accordance with the Community Benefits Scheme and approved budget.



NSWALC Statewide Grants - make available statewide grants for organisations and events that:



- have statewide Aboriginal participation
- are of statewide significance for Aboriginal people
- support and promote Aboriginal culture and sporting achievement.





#### **Secure our future**

#### Strategy

Status

NSWALC will continue to provide support for the effective and efficient operation of LALCs, including by:



- providing funding support to assist with operational costs
- assisting with community development processes and CLBP development and implementation
- linking LALCs with information, opportunities and solutions through Regional Forums, stakeholder management, network brokerage, Network Messages and communications
- supporting performance in relation to regulatory obligations, budgeting and reporting, governance, complaints and risk assessment processes.

NSWALC will advocate for and consult on establishing a Treaty/ies process in NSW.



 $\label{eq:NSWALC} \textbf{NSWALC will continue to grow and exercise responsible stewardship of the NSWALC} \\ \textbf{Statutory Account.} \\$ 



NSWALC will increase member participation in the NSWALC Election in November 2019, administered by the NSW Electoral Commission.



NSWALC will continue to publicly position its brand through effective communication and marketing of its work and activities, including launching a new website.



NSWALC will develop and implement a Members Engagement Strategy to improve membership participation, including:

a Youth Engagement Strategy to increase youth participation in the Aboriginal Land Council
network, including the development of a Youth Advisory Committee to provide advice to
NSWALC on issues affecting youth



• embedding a Youth Advisory Committee into the Council's governance framework.



NSWALC will implement Capacity Development Plans, in relation to:

- NSWALC Councillors
- NSWALC staff
- LALC Board and staff member development.



Review the LALC compliance regulatory framework.



Develop a compliance and regulatory framework to monitor and respond to NSWALC performance





#### Contact us:

Level 5, 33 Argyle Street Parramatta NSW 2150 PO Box 1125 PARRAMATTA NSW 2124

T: 61 2 9689 4444 F: 61 2 9687 1234 E: media@alc.org W: www.alc.org.au

#### Visit us online:

For information on what we do, publications and events visit <a href="https://www.alc.org.au">www.alc.org.au</a>

#### Join us on social media:



www.facebook.com/nswalc



nswalc



@nswalc

#### Zone Offices

#### Eastern Zone

Suite 23, 207 Albany Street North GOSFORD NSW 2250

#### Far Western Zone

Level 3, NSW State Government Building 32 Sulphide Street BROKEN HILL NSW

#### Northern Zone

Suite 5, Level 1 66-90 City Square COFFS HARBOUR NSW 2451

#### Southern Zone

Unit 22, 2 Yallourn Street FYSHWICK ACT 2609

#### Western Zone

2/36 Darling Street DUBBO NSW 2830

