



COMMONWEALTH OF AUSTRALIA

## Official Committee Hansard

# HOUSE OF REPRESENTATIVES

STANDING COMMITTEE ON ABORIGINAL AND TORRES  
STRAIT ISLANDER AFFAIRS

**Reference: Developing Indigenous enterprises**

FRIDAY, 12 SEPTEMBER 2008

PERTH

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES



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## HOUSE OF REPRESENTATIVES STANDING

### COMMITTEE ON ABORIGINAL AND TORRES STRAIT ISLANDER AFFAIRS

Friday, 12 September 2008

**Members:** Mr Marles (*Chair*), Mr Laming (*Deputy Chair*), Mr Abbott, Ms Campbell, Mr Katter, Ms Rea, Dr Stone, Mr Kelvin Thomson, Mr Trevor and Mr Turnour

**Members in attendance:** Mr Marles and Mr Thomson

**Terms of reference for the inquiry:**

To inquire into and report on:

Opportunities for Aboriginal and Torres Strait Islander people to grow small and medium-size business. This shall include Indigenous controlled enterprises and business in which Indigenous people are joint venture partners.

In particular, the Committee will focus on:

1. whether current government, industry and community programs offering specific enterprise support programs and services to Indigenous enterprises are effective, particularly in building sustainable relationships with the broader business sector;
2. identifying areas of Indigenous commercial advantage and strength;
3. the feasibility of adapting the US minority business/development council model to the Australian context; and
4. whether incentives should be provided to encourage successful businesses to sub contract, do business with or mentor new Indigenous enterprises.

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**Subcommittee met at 9.22 am****FRANSEN, Ms Angelique Anna Maria, Chief Executive Officer, Western Australian Indigenous Tourism Operators Committee****MAHER, Miss Marissa Dawn, Secretary and Treasurer, Western Australian Indigenous Tourism Operators Committee**

**CHAIR**—I declare open this public hearing of the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs and its inquiry into developing Indigenous enterprises. I acknowledge the Noongar people, the traditional custodians of this land, and we pay our respects to their elders, past, present and future, for they hold the memories, the traditions, the cultures and the hopes of Indigenous Australia. The committee also acknowledges the presence of Aboriginal and Torres Strait Islander people who now reside in this area.

This is the eighth public hearing that the committee has undertaken for the inquiry into developing Indigenous enterprises, and we welcome the witnesses who are participating in this hearing today; I think we have got witnesses going through to lunchtime today. The hearing is open to the public and a transcript of what is said will be placed on the committee's website which is contained within the Australian parliament website. If anyone would like further details about the inquiry or the transcripts, please ask any of the committee staff and they will be happy to help you.

With that introduction, I will start by calling Ms Angelique Fransen and Ms Melissa Maher to give evidence on behalf of the Western Australian Indigenous Tourism Operators Committee. Although the committee does not require you to speak under oath, you should understand that these hearings are formal proceedings of the Commonwealth parliament and that the giving of false and misleading evidence is a serious matter and may be regarded as a contempt of the parliament. Marissa and Angelique, would you like to make an opening statement, and then Kelvin and I will ask you some questions.

**Ms Fransen**—Yes. I will give you some background on WAITOC, which started as an informal committee back in 2000. After the 2000 Olympics there was a lot of interest in Indigenous tourism experiences after the Wandjina paintings were used at the opening, and no-one really knew what was currently out there. So the federal government at the time put on a national forum on Indigenous tourism and, from WA, we did a couple of workshops and took 25 operators over to Sydney. It was the first time that a lot of these operators got to network amongst their peers.

They approached the state government after that and said, 'We'd like to continue this. It's the first time we've been able to share our experiences and knowledge,' and the Aboriginal Economic Development Office at the time supported that as an informal committee, to say, 'Well, let's see where it goes.' WAITOC then got stronger and stronger as a central point in Western Australia and became an incorporated association under the State Associations Incorporation Act in 2002. We currently have over 80 members, both full members and associate members, and represent over 100 Indigenous owned and operated experiences in Western Australia.

The board members are all made up from Indigenous operators. We try to get a cross-representation from the different areas of the state. You have met with Maria Morgan who was a past chair of WAITOC and is still a board member, and we have tried to get the representatives from the Noongar people, the Yamatji people, and the Wongatha people to make sure that all the areas are represented.

**Miss Maher**—I am fairly new to WAITOC. I had a bit of an interest in trying to get out there and promote Aboriginal cultural heritage. I am basically here to support Angelique on the Indigenous tourism so, whenever I can, I will pipe up.

**CHAIR**—That is fine. I will just ask a few questions to get a sense of WAITOC. How many people are employed by WAITOC itself?

**Ms Fransen**—Currently it is only me and my colleague Tammy Prior. We work part time for WAITOC.

**CHAIR**—Where is the funding for WAITOC currently coming from? Is it through the operators themselves?

**Ms Fransen**—Our membership is very limited, as you would know. Membership is only \$80 a year, because the last thing WAITOC wanted to do was create another barrier for Indigenous operators to enter the tourism industry. Previously we have received some operational funding from the state government, and since July last year WAITOC has been operating independently but getting some project money from government to meet certain outcomes, such as producing consumer collateral, self-drive maps, working on accreditation to get operators business ready and market ready. But it is a real struggle for WAITOC at this point; we are not sustainable based on our membership.

**CHAIR**—Your membership is throughout WA. How do you provide services to your membership, particularly beyond Perth?

**Ms Fransen**—Because our board members are based in the regions, they promote WAITOC and they are a contact point. We have our WAITOC website, and normally 80 per cent of our members would not get promoted through the tourism industry, so it is a means for them to get their business promoted. We promote consumer collateral as well as trade collateral. I think 2003 was the first time that WAITOC attended a trade show which, for the wholesalers and the trade, was the first time that they got to speak to an Aboriginal person in tourism and business. We promote all our members through that venue and through famils they have been getting the positives back into their own business.

We provide an advisory service for Tourism Western Australia, so we suggest that famils be included in their itineraries. We get website inquiries from overseas and nationally, and we also work closely with Tourism Australia in trying to get the industry sector up and running. We have produced a little mini CD-ROM; it is interactive and explains the diversity of Aboriginal culture and has a few translations. One of the by-products is that a lot of primary schools are now asking me for this to use for their kids, because it is very interactive. To get into the regions is very hard. We have received some funding to do some Better Business Blitz workshops in the regions.



**CHAIR**—From?

**Ms Fransen**—From the state government. We have tried to supplement that through federal funding programs, and we have gone out to Kalgoorlie. It is better to go and meet people on their country than to try and get them into Perth in the city to sit in a building block, so WAITOC's aim is to use the operators as much as possible as case studies and examples and models, to go out there and see what people want to do in tourism. WAITOC has a one stop shop for Indigenous operators wanting to get into tourism. For example, I had a meeting yesterday with someone from the Pilbara who wants to get into tourism but did not feel there was any means of support for him where he was living. We get to be the first point of contact, as well, for a lot of Indigenous people that want to get into tourism.

**CHAIR**—In the notes it talks about there being, amongst your membership, a broad range of businesses.

**Ms Fransen**—Yes.

**CHAIR**—Some that are quite firmly entrenched and others which are really right at the start of their journey.

**Ms Fransen**—Yes.

**CHAIR**—To give a better sense of that, could you perhaps give us an example of one of the more entrenched businesses and then maybe give us an example of a start-up business such as with that person from the Pilbara. What would be the most entrenched operation that you think is within your membership?

**Ms Fransen**—There are probably two or three in the Kimberley that have been operating for 10 to 15 years. Kooljaman at Cape Leveque is now in the Australian Hall of Fame. It has won several awards.

**CHAIR**—And what does it do?

**Ms Fransen**—It is an eco-resort north of Broome. It offers different types of accommodation and is owned by two Aboriginal communities. They did try and manage it themselves but they found, because of family pressure and the peer pressure within the community, it was better to outsource the management, but they provide now a lot of employment opportunities for trainees and for their communities to get involved in tourism. That would be one example of where two communities have really done well in a tourism enterprise.

**CHAIR**—How many people would it employ?

**Ms Fransen**—I think it is seasonal, but up to 15 to 20 people in the peak season, and obviously the revenues go back into the community as well as being reinvested into the business. The other one is a young person who is starting up luxury fishing tours down south. He has been working for the education department, saving up the money, but he is passionate about his culture and tourism and is now starting to set up these luxury fishing tours, and he is getting groups from Korea already, even though he has not really marketed himself. That is sort of a

start-up business and WAITOC is trying to source funding for him to get just over the line to start doing business. That could be \$5,000 to get him that marketing website and just some of that kick-start money.

**CHAIR**—Which probably then leads to the next question: in the notes we have, I think you advocate the need for some ability to access small business grants.

**Ms Fransen**—Yes.

**CHAIR**—Could you just talk a bit more about why you see that as important.

**Ms Fransen**—Because, often, small operators do not need big overheads, they do not need the big bus or anything like that, to start their tourism business. They are quite happy to do it at their own pace and in their own time. They will probably need just five or 10 grand to get their business cards, to get their marketing and their promotion right, to put together a bit of a business plan and start their business. Often, these people are already doing that ad hoc anyway. It is about pulling it together and harnessing it into a business to enable them to then move forward.

The state government used to have a scheme where, through the Aboriginal Economic Development Office, they could access up to \$10,000 for individuals and \$20,000 for communities. That would give them assistance in marketing, or buying the trailer that they needed, or the swags that they needed for their customers to just get up and go. That is no longer available, so some of these businesses are finding it very hard to get that initial kick-start money. They can get funding and support through IBA and other programs, but often it is so much harder to get \$5,000 or \$10,000 than it is to get a million bucks, so that is the issue at the moment.

**CHAIR**—IBA does not provide that? Why can't that be sourced through IBA?

**Ms Fransen**—IBA and the Business Development Program provide support for consultants to assist operators in their business planning, marketing planning and mentoring, but do not provide kick-start money—seed funding, I guess—for businesses to start.

**Mr KELVIN THOMSON**—You mentioned the national forum, after the 2000 Olympics, concerning Indigenous tourism. Where was that held?

**Ms Fransen**—In Sydney.

**Mr KELVIN THOMSON**—What was the nature of the Western Australian involvement?

**Ms Fransen**—The department of tourism at the time wanted to get an idea of what Indigenous tourism was out there and, because we did not quite know in Western Australia either, we did a workshop, we conducted a couple of forums, in Broome and here in Perth.

**Mr KELVIN THOMSON**—Did you send people over to Sydney?

**Ms Fransen**—Yes, about 25 operators. We went as a delegation.

**Mr KELVIN THOMSON**—And, as well, you had workshops in Western Australia?

**Ms Fransen**—Yes.

**Mr KELVIN THOMSON**—Do the various Indigenous tourism operators have a customer base of largely overseas tourists and visitors or does it tend to be local people? What is the make-up of your customer base?

**Ms Fransen**—The major clientele would be the international tourists, and that is where WA has a challenge, because everyone goes to the east coast first and then comes to Western Australia. We have had a lot more inquiries from the east coast lately, from people wanting to come over to Western Australia to do something a bit different.

**Mr KELVIN THOMSON**—So they come to the east coast first but then they are prepared to come here as well?

**Ms Fransen**—Yes. I think on their second or third visits they will come to Western Australia.

**Mr KELVIN THOMSON**—Where are they from?

**Ms Fransen**—The main market is Europe, especially Germany, Switzerland and the UK, but there is also France and Holland that are very much interested.

**Mr KELVIN THOMSON**—In terms of the assets that you have, or the backdrop, where would you say are the places that people are interested in coming to or the sorts of Indigenous tourism experiences that they are interested in having?

**Ms Fransen**—It all depends. I guess there is a certain stereotype of what Indigenous tourism is. They often think of men in their loincloths, with their spears, standing in the middle of Perth or something, which obviously is not the case, so we try to educate the overseas market. We get inquiries from, say, the UK: their kids want to learn how to play didgeridoo and where can they do that in Perth? What are some of the half-day experiences they can do from Perth, because it is the gateway? But there are a lot of self-drive people that will go up to the Kimberley and be a bit more adventurous, and stay in the outback, camping.

**Mr KELVIN THOMSON**—You have a significant number of your operators in Northern Australia, the Kimberley?

**Ms Fransen**—Yes.

**Mr KELVIN THOMSON**—What about other places? Have you got people down in the south-west?

**Ms Fransen**—Yes. We have only got them sporadically in the south-west, Australia's Golden Outback area. There are probably more up in the Coral Coast, the Gascoyne area. The Pilbara is very limited at the moment as well, although there are lots of opportunities, but they are slowly building up now. And I think even within Perth city there are lots of people that want to try and

get involved, but a lot of our funding programs and support is out in the regions, not so much within the city.

**Mr KELVIN THOMSON**—My instinct on this, and I might be wrong, is that it would tend to spin off some of the natural attractions—dolphins at Shark Bay or Wave Rock or tall forests in the south-west or whatever—and that if you got people who are going to places, many of them as tourists in the first place, the scope for Indigenous tourism would readily spin off that. Tell me whether that is right or whether it works differently from that.

**Ms Fransen**—Research has proven that when people come here they want to have an Indigenous experience. It is not the sole reason they come to Australia.

**Mr KELVIN THOMSON**—Sure.

**Ms Fransen**—But it is certainly one of their main objectives.

**Mr KELVIN THOMSON**—Yes.

**Ms Fransen**—The problem is that they cannot find where to have these Indigenous experiences, but they certainly like to, wherever they are.

**Mr KELVIN THOMSON**—I know about Uluru, for example. People will go to Uluru because it is Uluru and it is famous, but the Aboriginal connection with it is massive, it is very deep, and clearly there is a lot of Indigenous tourism that comes off the back of that that makes use of the natural asset and its specific heritage so far as Indigenous people are concerned.

On the issue of Indigenous involvement and non-Indigenous involvement in the various tourism enterprises, as we have been talking to people around the country concerning the various small businesses, it is clear that there are a lot of non-Indigenous people involved in areas of administration, bookkeeping and the like, and there is obviously a tension here to get the maximum value for Indigenous people. In terms of employment and skills and so on, you want them to be involved, but you also want to have these enterprises up and running and not failing for want of having ready-made expertise. I am wondering how those various operations function in practice, how many Indigenous people are involved in them and how it works in terms of building skills in administration or financial literacy and the like?

**Ms Fransen**—It is an issue. Aboriginal people who want to get into tourism know their product but they do not necessarily know the business side of things. Marissa might want to elaborate on that a bit, but culturally appropriate training is sometimes lacking in regional and remote areas. There is nothing wrong with someone seeking outside advice. You do not have to do it alone. You do not have to be your own marketing manager, accountant and everything else. But that understanding of letting go and letting other people support you, whether Indigenous or non-Indigenous, is a big learning curve and that has not happened very well.

**Mr KELVIN THOMSON**—A lot of small businesses that we have come across have both an Indigenous and a non-Indigenous component. That is good, but ideally you are building the Indigenous skill base and people are leveraging their knowledge of country and the things that

they have to contribute and moving beyond that into other areas like marketing, administration, promotion and the like. I am happy for Marissa to say something about that.

**Miss Maher**—I was talking to Angelique about this the other night. As I said before, I am in the process of developing my own business and being a tour operator, and one of the things that I fail as well is the accounting and bookkeeping stuff. I know my product and when I get out there I know what to talk about, but as far as adding up the dollars and the taxes are concerned, I am not good at it. It is crucial that we head Aboriginal people in that direction to pick up those skills and gain that knowledge so that they can do everything and be independent.

**Mr KELVIN THOMSON**—In terms of delivering the product, people clearly want to hear it from Indigenous people. They like hearing from people who have direct experience of this or whose relatives have been on the land or whatever and have this personal knowledge and heritage to pass on, but it does seem to me desirable for Indigenous people to get into the other aspects of the business. Speaking of that, I noticed in your submission that you said:

New operators learn and practise participating at trade shows in how to deal with the travel trade. It has been proven that the practice of shadowing someone in a real situation is more effective than a classroom setting.

I do not think that is confined to Indigenous people—learning by doing works for most of us—but I thought that was an interesting observation and I invite you to follow it up or to give us a bit of detail about that.

**Ms Fransen**—Like I mentioned, WAITOC was in its own right at a trade show some years ago and it was so beneficial for trade—wholesalers—to hear from Aboriginal people direct about their own products instead of hearing it from a whitefella. The WAITOC board members change every two years. We include as many board members as we can in this trade show, wherever we go, to have a presence. We also make sure that it is new board members sitting with existing board members who have already undergone that. It has increased their knowledge of the tourism industry enormously, how the distribution system works, and their confidence in sharing about their product. One lady goes, ‘What am I going to talk about with these guys? Why do they want to know about my business?’ You only have a limited time of 15 minutes and, by the end of it, you could not shut her up. I had to tell her, ‘Be quiet. People have to move on.’ Seeing that confidence grow within the operators themselves in promoting their business in a supportive environment is something you cannot put a dollar sign on. It has encouraged some of the operators now to enter for tourism awards in Western Australia and they are winning some.

**Mr KELVIN THOMSON**—Is this a growth area or has it plateaued or peaked in terms of the number of Indigenous tourism businesses or people wanting to get into the business and so on?

**Ms Fransen**—I think there is still room for growth, especially in Western Australia where there are only one or two operators in such vast regions, like the south-west or the Kalgoorlie areas. We need to find those individuals and harness that enthusiasm, then continue that.

**Mr KELVIN THOMSON**—Do you go out and look for people?

**Ms Fransen**—We do go out and look for people, but also we get a lot of referrals from other people to come and speak to WAITOC in the first instance, and then find their support mechanisms, depending where they are.

**Mr KELVIN THOMSON**—Do people come to you and say, ‘I would like to set up an Indigenous tourism business. Can you help me?’

**Ms Fransen**—Yes, we work with individual operators and people that want to get into business. We help try to kick-start them. A lot of them think tourism is a glamorous industry and it is all fun, but when you get down to the details of, ‘You still have to clean your vehicle before and after and always put a smile on your face,’ they go away and do their own research. It weeds out those where it was a flash in the pan idea from those who are serious about wanting to get into it.

**Mr KELVIN THOMSON**—When we were in Darwin, each of the committee members was given a copy of a book that was written by a guy who had had a lot of experience in economic development. It was partly about Indigenous people but partly a comment on economic development, full stop. His theory was basically, ‘You work with people who are interested and hungry.’ You do not worry about going out and finding people. You wait for the people who want you because they are the ones who will make a go of it.

**Ms Fransen**—WAITOC has a limited capacity to support people so, yes, we will definitely support those individuals that show that enthusiasm and do their own research.

**Miss Maher**—Just to add to that, one of things also is access to land. I do not think a lot of Aboriginal people have access to go out and showcase that connection to country and that kind of thing. It is also about promoting partnerships with people to get access to that land. That is one of the big issues. They think about the idea of doing a tourism venture but, ‘Where do we go and do it? What access to land do we have?’ for creating that same sort of stuff that they used to do traditionally: the collecting, hunting and gathering and sharing of that cultural knowledge. That is probably a big one.

**CHAIR**—Just following on that, can you explain the issues surrounding that. What is the barrier to doing that? Is there a cultural barrier?

**Miss Maher**—I have a background in environment. That is probably why I brought that up. Especially in WA, DEC, which is the Department of Environment and Conservation, owns quite a lot of land. A lot of Indigenous people still do traditional stuff on those lands but, given the rules and regulations, some of those things they cannot practise in today’s society, so there is that Indig/non-Indig clash and it is harder for them to go and practise what they have been doing for thousands of years and showing that sort of stuff. That is one barrier to people starting off in a venture. DEC is working towards joint management, so that will probably come.

**CHAIR**—When you talk about traditional practices, are you talking about hunting?

**Miss Maher**—Yes, and bush tucker collecting, the water ceremonies and stuff like that that still are practised today, but the access to those lands and those sites on those lands is the issue.

**CHAIR**—It is restricted. Would there be a restriction for commercialising that in terms of taking tourists with you?

**Miss Maher**—I guess it comes down to business kinds of things. Aboriginal people know their product and where to go but, in terms of applying for a licence and all that sort of stuff, that is what we lack: going into the framework of that.

**CHAIR**—Kelvin asked you questions about it and I want to go back to that. I do not know if you said it, Marissa, but I think you were nodding when we were talking about this issue in terms of your own experiences. So how have you, in your work, dealt with it? Do you hire someone to do the books or have you learnt to do the books yourself?

**Miss Maher**—I have not, but I probably will. That is something that I was talking to Angelique about. I do not have the expertise to do that sort of stuff and, because I am only fairly new to starting up my business, that is one of the things: I have not found anything that could help me. We were even talking about getting mentored and stuff. I would love to be mentored so that I can work through those processes. Once I pick up on those skills, I can go back and take it to the grassroots people and say, 'This is the way that you go about doing it and getting a business.' There needs to be something there so that we can grab it and run with it.

**CHAIR**—It is an issue which has come up a lot in this inquiry, so clearly it is relevant to Indigenous Australia. It is an issue which arises in non-Indigenous Australia as well. People want to do what they know—in a sense, their core business—and often bookkeeping and, certainly speaking for myself, all that kind of paperwork they struggle with greatly.

**Ms Fransen**—Yes.

**CHAIR**—I guess the question is: 'To what extent do you see any applicability in this to tourism?' One of the models we have seen in relation to Indigenous art is a number of the art centres. We visited one in Kununurra and we heard evidence about others in Darwin where, in effect, the arts centre becomes a place where there is a lot of that kind of engagement with marketing and selling. All the paperwork can be dealt with, and the artists can be part of it, but they are there and can be left, in a sense, to do their art. It is probably an issue of resources, but is there an opening for somebody to be providing those services, do you think, to Indigenous tourism businesses?

**Ms Fransen**—The notion of a virtual business incubator has been touted a lot and talked about. When I bring Aboriginal people into mainstream agencies like small business development corporations, business enterprise centres or something like that, they do not feel comfortable about talking about their business. It is not a nice environment for them to go and walk into, so they often do not go and seek those support services. With the virtual business incubator, the idea is that you do have a lawyer, an accountant, a bookkeeper et cetera, that goes out and services a specific region, goes and sees the operator on their country, in their environment, so that they feel comfortable about doing that sort of business.

They only see each other three times a year. It is hard even for us to try and do a workshop in the Dampier Peninsula where everyone lives within 10 to 20 kilometres of each other. They are so busy doing their own business, and even the travelling costs, the fuel costs and the distances

in Western Australia are barriers to seeking those services. So certainly one of WAITOC's visions was to do these Better Business Blitz workshops and the follow-up mentoring that goes with that. I think an Indigenous tourism and business mentoring program federally would work well, but it needs to be rolled out in a much broader area, and the mentoring needs to be at least three to five years instead of the two years initially envisaged.

**CHAIR**—Thank you very much for your time this morning. That is very valuable and we appreciate it greatly.



[9.53 am]

**RICHARDSON, Ms Julie, Director, Harlequin Business and Training Consultants**

**CHAIR**—I would now like to welcome Julie Richardson. Although the committee does not require you to speak under oath, you should understand that these hearings are formal proceedings of the Commonwealth parliament and that the giving of false and misleading evidence is a serious matter and may be regarded as a contempt of the parliament. Julie, would you like to give us a bit of an opening statement about what you do and then Kelvin and I might ask you some questions.

**Ms Richardson**—Yes, certainly. We are what is called a registered training organisation, an RTO, and we specialise in business training services. We have three main contracts. The first is to provide NEIS—New Enterprise Incentive Scheme—training programs. The second is with IBA—Indigenous Business Australia. We are a preferred service provider, so we go all over Australia, but primarily WA and some Northern Territory, to provide consultancy services to Indigenous clients. We provide business feasibility studies, business plans, business training and business mentoring and coaching. We are also what is called a workshop services provider to IBA, so we provide workshops to Indigenous clients, again through WA. That is a fairly new concept that we have adopted in the last year.

To give an example, I just came back from the Pilbara on Thursday night, and we did four workshops. We did a workshop in Tom Price, Port Hedland, Karratha and Roebourne. Next week I am going up to Broome and we will do Beagle Bay and Djaradjung, and we will go up to the communities at Mungot, Middle Lagoon, and possibly another community as well. So they are a very hands-on practical introduction to business workshops which I am fairly passionate about.

It was really interesting listening to that other lady. There was no mention of IBA, so I just wondered to myself whether she knew about it. I think that is one of the biggest problems: like most fields of industry, there is overlap, and many organisations do not know what the others are doing. The Indigenous lady there is entitled to free mentoring and help with bookkeeping and financial support. Maybe she knows; maybe she does not know.

The Introduction to Business workshops are very much sowing seeds in the mind. They are saying, ‘Look, do you have a great idea? Can it be explored, researched, to provide a logical business?’ In my opinion, one of the biggest problems is that people have got ideas and they do not know where to go for help. They also do not know that IBA services exist. It is not publicised enough. It is not enough having a great idea. They need to be taught how to research that idea and move forward on it. I do not think that many Indigenous people would just knock on the door of WAITOC without some assistance to get them to that first step.

**CHAIR**—Providing the free mentoring that you describe through IBA is what you do?

**Ms Richardson**—Yes. We do a whole scope of services. Often I work with clients for three or four years, and that might start with finding business training, then teaching them how to research business ideas and then developing a business plan and working with them after that.

Indigenous clients are different from non-Indigenous clients. They need support and assistance long term. Very often I will go back to a client, like one I have got in Broome; after two or three years they are doing well and then they need extra help to go to the next step.

**CHAIR**—You may not have heard the beginning of the evidence that has just been given from WAITOC, but one of the issues that was raised was the access to small business start-up grants. Do you see that as an issue as well: that small grants, say up to \$10,000, would be useful in getting businesses going?

**Ms Richardson**—Yes. Actually, yesterday I was involved with Community Vision doing a scoping exercise on microcredit, and we were looking at just that for minority groups, including Indigenous. Yes, it is a problem. It is a problem getting money to start up. However, having said that, I have trained people in NEIS for 19 years. We have put through over 5,000 people and probably 98 per cent of those have no access to funds. Sometimes providing funds is a mixed blessing; it is an obstacle. There is a lot of money coming in—and \$5,000 or \$10,000 is a lot of money to somebody who is not used to that. If it is used correctly and if they have support, yes, but it can be quite counterproductive. It can get them into debt if they are not supported.

**CHAIR**—How? Just explain that.

**Ms Richardson**—Because if they have a grant of \$5,000 or \$10,000 and they do not understand the cash flow, they do not understand how to use that money, it can disappear. They do not understand the necessity to repay. Many Indigenous clients still have the understanding that it is always grants, so you have to say, 'It's very unlikely you will get a grant. It happens sometimes, but it's not common. This is money you will have to pay back. You have to understand that.' I think there is a danger of handing money out to people. They then have an inability to pay it back, in the worst situation. It depends on the business, it really does. You need to look at the business and say, 'Can this business start without funds? If it needs funds, what help is going to be provided to make sure those funds are used correctly?'

**CHAIR**—I do not mean to verbal you, but are you saying you would then be opposed to a system of grants which is not about paying back?

**Ms Richardson**—No, I would not be, but I also think we cannot always just give out money. Are we really helping people by just handing out money all the time? If it is a loan and they are responsible for that loan and it is paid back, great. I think you just have to look really carefully at what you are trying to achieve through this. If it is something like equipment to start with, for example, and that will allow a business to grow, fine, but if that business is always dependent on grants I would question whether that was a useful program.

**CHAIR**—I want to be clear about your role as a preferred provider of IBA. With a start-up business which might want a loan—not a grant but a loan—from IBA, what do you do? Do you help them to put in an application?

**Ms Richardson**—IBA support services include mentoring and help—as I said, feasibility, business planning and training—but they also have IBA funds, which are quite complex and quite difficult for the client to get. It takes a long time, which is often the problem. On the other hand, IBA are not a mainstream lender, so they have perhaps more of a duty of care; a more

holistic approach. Ideally, a client will go to a mainstream lender because there is a limitation on funds with the IBA; the funds are not there. And the interest rate is very much lower, which helps.

**CHAIR**—At IBA?

**Ms Richardson**—Yes. It is a good two per cent lower. Also, the interest is calculated in arrears every six months, so again it is a better situation. It is not perfect; it is bureaucratic. But there is a reason that it is bureaucratic; as I say, it is not a mainstream lender and they will often lend to people who otherwise would not have a hope of getting funds from anywhere else. It is an important part of the IBA support.

**CHAIR**—There are two criticisms that we have heard about the scheme in relation to IBA. One is that it is slow.

**Ms Richardson**—That is mostly my opinion. Through the AGS, the Australian Government Solicitor, that is certainly slow. In fact, I was asked to do a recommendation to IBA on how they could improve client services, which I finished yesterday. That was one of the things I said: ‘I think you need a panel of lawyers, and not be relying on AGS.’

**CHAIR**—That is exactly what they said, too.

**Ms Richardson**—Was it? Okay.

**CHAIR**—We are going to be having a longer chat with IBA at the end of this process—I mean a formal hearing like this. You made a comment that they lend money to people that other lenders would not make loans to. That proposition has been questioned by a number of witnesses that we have had; that the criteria for getting a loan from IBA are as stringent—however you want to describe it—as a mainstream lender.

**Ms Richardson**—It is difficult.

**CHAIR**—So it is not really offering loans to people who would not be able to get money from mainstream lenders. Do you agree with that?

**Ms Richardson**—You need to have caution when lending money. It needs to be backed up by a potentially viable business plan. I do not think that they should be handing money out willy-nilly, frankly. The process is long; I would like to see a less complex process. But I think the criterion—and still they are relying on consultancy—is the potentially viable business.

**CHAIR**—If the criteria are the same as a mainstream bank but it takes longer with IBA, what is the point?

**Ms Richardson**—I think sometimes the criteria are more complex, but they will overlook perhaps poor credit background to a certain extent, and also the need for equity, which is very difficult for many Indigenous people: they do not have bricks and mortar equity. Those are the two areas where it varies; they are the biggest things really.

**CHAIR**—Are you aware of, I think, the Westpac microfinance product?

**Ms Richardson**—Yes. I have not dealt with it. I tend to do more training. Some of our clients we do help with applications for finance, but that is not my favourite area. I prefer to do the training. But, yes, I am aware of that and we do refer clients for starting-up finance.

**CHAIR**—I think you were here for the last part of the evidence that was given by WAITOC. It was on a theme which has been a familiar one in these hearings—that is, the extent of business literacy within the Indigenous community and the best way to deal with that. What are your thoughts about that?

**Ms Richardson**—Many Indigenous people were not brought up in a culture of business. That does not mean to say that they cannot be very successful in business, but they need assistance. I think they need basic fundamental business training. Again, I am biased, I am a business trainer, but there is such a danger that they get into business and do not understand what they are doing and what is happening. I think they need to be involved from day one, to be taught how to investigate a business idea. I do not believe in consultants just writing a business plan for them: they must have ownership of that, otherwise it is absolutely useless and they are not going to grow.

I believe that they need to understand the basics of market research, the marketing, and certainly consultants should work alongside them but not take over. That is a very fine line: they should work with them. I do not believe in a consultant going in and writing a business plan for a client; they should go in and spend time teaching the basics so that they can understand business structures, basic market research, and then they have a decision to make in the production of that business plan, otherwise they do not have ownership of it. They work together on it

**CHAIR**—Do you think that applies to all businesses?

**Ms Richardson**—Yes.

**CHAIR**—So would that apply to an Aboriginal artist as well?

**Ms Richardson**—Absolutely. I have just spent three months writing a feasibility study and working with clients in Cygnet Bay, which is about as remote as you can get. It is nearly 300 kays north-east. These clients have not been in business before and want to start a water-bottling plant. We sat down and worked it out. We looked at their research; what they had to do. They were involved and then we developed the business plan. If the client does not have that base knowledge, how can they ever grow? How can they expand the business? They are always going to be dependent on a non-Indigenous person coming in.

**CHAIR**—I can see that, but I am trying to play the devil's advocate a little bit. I do not know if you heard me give the example of the centres which exist—

**Ms Richardson**—Yes, I have visited lots of them. I have got clients in Katherine, where there are arts centres now.

**CHAIR**—I know a number of non-Indigenous artists who are really interested in doing art and not interested in doing the rest of it.

**Ms Richardson**—One of my biggest challenges is making capitalists out of artists.

**CHAIR**—But does an artist—Indigenous or non-Indigenous—need to be a capitalist?

**Ms Richardson**—We work with a lot of non-Indigenous—

**CHAIR**—Can't they just do art?

**Ms Richardson**—It depends whether they want a commercially viable business. If they want to do art and enjoy it and, if they sell it, it is a bonus, that is fine. But that is not where I am involved. I am involved with people having a financially viable enterprise, in which case they have to have some understanding. I have worked with artists' cooperatives. There is one, Guildford Village Potters, which I have done a lot of voluntary work with. It is a very successful arts based business. They have 13 partners and each of those partners rotates, and one will take on responsibility for marketing in one month, the next one will do the accounts et cetera. That really does work very well. So you can say, okay, artists just want to be creative and make beautiful things, but is that a viable enterprise? We are working with many very remote clients. For one lady I work with outside of Katherine, English is her third language. I have worked with her for about three years. She educated herself; she has a very strong culture; she is an elder. I have a skin name to work with her, otherwise I am not accepted to work with the community. She is highly talented and has now got to the stage where she is creating corporate gifts; government departments ring her up.

It was a slow process. We started from a base where she wanted a huge amount of money to develop her business. When she started to understand that the money had to be repaid and understood what she needed to buy and how to develop, the whole scenario changed. That does not happen overnight. But she as an elder in her community will go back and talk to her family, friends and community when they want to start a business, and it will be commonsense for her to ask: 'Who are you going to sell to? What are they willing to pay?' These are the very basics of starting a business.

**CHAIR**—Let us pursue that model in terms of trying to make these people capitalists in whatever enterprise they are undertaking. Why have you been successful in being able to do that? What is the key?

**Ms Richardson**—I really believe in transferring knowledge. I work in some really remote communities. We are talking about 200 or 300 kays outside of Kununurra and sleeping on the floor for a week in the community, and it is 46 degrees. I might have an English accent, but I am used to it. I believe in working with the people, finding out what they want; not just handing out loans. The other problem is that if the Indigenous people we work with and who start businesses do not understand the basics—and I do not mean that they need to understand everything to start with, but they need to understand the basics—there is always room for somebody else to come in and abuse that power. I see it happen all the time. Usually, I am afraid, a whitefella comes in, says, 'You're great. We'll manage your accounts and books for you,' and the money suddenly disappears; and accountants, too. There is a huge opportunity for that abuse, because the people

do not understand the basics. There is substantial money going into some of the communities that I work for, and I mean many millions of dollars going in.

**CHAIR**—Through whatever business activity is being undertaken.

**Ms Richardson**—Through the mining companies, yes.

**CHAIR**—The mining royalties.

**Ms Richardson**—Going into some of the organisations, yes.

**CHAIR**—All right. We have heard evidence—again, it has been a repeating theme and we heard it on Tuesday in Brisbane, so this is a question on whether you agree with this—that there are aspects of Aboriginal culture around kinship, for example, which make individual enterprise harder in that, when an individual goes out and makes a whole lot of money, there is then an obligation to share that.

**Ms Richardson**—Yes, absolutely.

**CHAIR**—Do you think that is a cultural trait?

**Ms Richardson**—Absolutely, yes.

**CHAIR**—Do you think that gets in the way of—

**Ms Richardson**—Yes, it does, and that is part of our training. In the workshops we conduct, that is one of the major issues that we look at: not only, ‘Are you ready for business?’ but ‘How are you going to cope with the demands of business, such as cultural requirements, needs, issues; family issues?’ If you have sorry business or a funeral, people disappear for two or three weeks. That is a big issue and it is something that is an extra issue that Indigenous people need to come to terms with and deal with if they are looking to have a viable business.

**CHAIR**—How do they?

**Ms Richardson**—Firstly, they have got to decide if business is the right option for them, and that is part of my role. If I do a workshop and I have got 20 people, like I did in Port Hedland, come along to consider business, I feel that I need to explain the pros and cons and they then need to go away and decide whether they are prepared to go down that line and make decisions, and that is difficult in strongly cultural areas. There is a delightful gentleman up in Mud Springs, Vincent Angus, who is a mud-crabber; a successful business. I said to him many years ago, ‘Vincent, how do you deal with people knocking on the door?’ He said: ‘Julie, I don’t keep any money in the house. I’ve got strict guidelines.’ It will cause problems sometimes, but the alternative is that they just hand all the money out and nobody ever grows. This is one of the reasons we have found, in the last few years, that community businesses generally do not work that well. It has to be individual families. They have to have ownership of that business.

**CHAIR**—Basing it on an individual family, is that a way of dealing with that issue, in that the obligation to share is within the family but it does not have to be shared at all?

**Ms Richardson**—No, it does not deal with it, because you have got extended families. There is no such thing as an individual family, there is always an extended family, and it does cause problems. I mean, there is a lot of in-fighting, a lot of fighting, a lot of jealousy, especially in the Dampier Peninsula where I do a lot of work. There are a lot of problems.

**CHAIR**—Does that mean that ultimately the advice you are giving is that, ‘If you want to have a successful business, you’re going to have to be prepared to deal with these problems’?

**Ms Richardson**—‘Say no’. Yes.

**CHAIR**—There is not another structure that can blend both cultures.

**Ms Richardson**—I think communication is key to most problems and I think they have to sit down and work it out with their families and then ultimately decide whether they are prepared to accept it or not, because I have seen it happen many times. A business can grow and do really well and even a partner can go into the bank account and they lose all their working capital. It is a big issue.

**Mr KELVIN THOMSON**—The research project, the work that you are carrying out in the Pilbara, can you tell us a little bit more about that?

**Ms Richardson**—The Pilbara?

**Mr KELVIN THOMSON**—Yes.

**Ms Richardson**—IBA have just appointed a new what they call SEDO—senior economic development officer—responsible for the Pilbara, and it seems to me that they are really moving towards people who have got significant business experience, which I think is very important. We did the workshops but we also went out into Roebourne to talk to some of the organisations who are actively encouraging Indigenous employment and creating opportunities there, and there are some really good things happening there. Of course, we always hear about the bad things, but there are some very positive moves out there. Roebourne is not the easiest place to work in but, significantly, more people are getting into employment and self-employment.

So that was part of it: to meet the people in the areas, because they have got this new SEDO, but also to provide an opportunity for Indigenous people, community leaders and elders to understand about the facilities and the services offered by IBA, at a very basic hands-on approach. The workshop is a very informal sitting-around discussion, the pros and cons of business and, hopefully, leaving them with something so they can say, ‘Okay, I’ve got this great idea. I now know how to take that first step.’ I think we need to sow seeds in people’s minds; they need to be aware of the possibilities.

**Mr KELVIN THOMSON**—Obviously one of the features of Western Australia has been the mining and resource boom which has been going on for some time now.

**Ms Richardson**—Yes.

**Mr KELVIN THOMSON**—Do you see scope arising from that for Indigenous business development?

**Ms Richardson**—Huge.

**Mr KELVIN THOMSON**—How do you see that working so that it does actually happen?

**Ms Richardson**—Rio, for example, are helping with a lot of new projects, and they have been great. We liaise with BHP, too. There needs to be more liaison, and that is always a problem, between IBA and the other organisations. But it is happening and we are trying to encourage it. We involve Aboriginal economic development in our workshops, and BHP, Rio, the local small business centres. I think what that lady was saying about the small business centres not really meeting the needs of Indigenous clients is absolutely correct. They generally do not feel comfortable. Also, Indigenous clients need more time and help, generally, so it might be difficult to do that. We had some very remote community representation at the Port Hedland workshops, which was fantastic. They have information, they go out and they talk and communicate. So, yes, the mining companies are very important in providing funds. It seems that they prefer to give funds to training and development of businesses, rather than just handing out money, where possible.

**Mr KELVIN THOMSON**—Yes.

**Ms Richardson**—It is still an awful lot of money which is handed out, but they have been very supportive, very good. We have liaised, for example, with Rio. One of the clients I work with has just started his own registered training organisation. He has been in the mining industry working 20-odd years—fantastic—at Port Hedland. We have helped him with his business training. We have also brought in consultancies; specialists in RTO set-ups. We have actually liaised with Gumala, one of the main community organisations there. They have helped fund some of his insurance costs, and we are now working with Rio and the Aboriginal liaison officers to see if he can start doing some of the training within the organisation before he goes out on his own. That is, to my mind, a great use of the different organisations working together. I do not think it happens enough.

But IBA is very flexible. One of the good things that IBA have done in the last few years—because I worked with ATSIC years before that—is that they have really changed the process. So when a client applies to IBA for assistance, a preferred service provider is appointed to go and work with them and the relationship is between the PSP and the client. IBA pay for it, but that is the relationship. So the preferred service provider will work out what that client needs and it is driven by the client. It must be. That works well.

**Mr KELVIN THOMSON**—You indicated in your submission that you had developed a reasonably good understanding of the issues facing Indigenous people wishing to enter into self-employment or operate a commercial enterprise. I am conscious that we have covered some of this already, but I invite you to make some comments on what you think the issues are and how we can overcome them.

**Ms Richardson**—To develop further enterprises?



**Mr KELVIN THOMSON**—Yes.

**Ms Richardson**—First of all, make them aware of the assistance available. That is very important because there is enormous potential in areas like tourism. There is so much potential, if you look at Port Hedland, the Pilbara, for all sorts of businesses. So, first of all, they need to know how to develop it, how to take it from purely an idea, or even go back a step and make them aware of the ideas and concepts that could be worthwhile, and that is what we are trying to do through these workshops.

**Mr KELVIN THOMSON**—We have had a bit of a discussion about IBA and you have said there is this question of people not being aware of what it does or issues of overlap and duplication and the like. What do you think needs to happen to improve things on that front?

**Ms Richardson**—As I recommended to IBA yesterday, more publicity. I would like to see the CDEP organisations work more closely with IBA, where there are CDEP organisations, and really publicise what IBA is doing; general awareness programs to the Indigenous organisations about what IBA can do. There is still misunderstanding. A couple of days ago one of my clients—a Noongar person in Perth that we trained through NEIS—was reluctant to go through IBA because they thought that IBA would own a part of their business. Business understands that. But there are good things happening: for instance, appointing somebody in the Pilbara who is really well experienced in business in Australia. They are not people who have just been in an office, they are people who have been out there operating businesses and can talk the same language. So awareness is really important: getting out there, talking to the people, seeing what they want.

I did a review of some funding programs to evaluate some financial programs, goal-setting, within Kakadu a couple of years ago. A consultant had gone in to work with probably five or six people as a pilot study to look at developing budgets and goal-settings. IBA asked me to go in and review it. The consultants were ethical and had worked hard, but my findings were that I did not think it was worthwhile because it was just one part of the business. It was not a holistic approach. It was saying, 'Let's look at setting goals and budgets.' To my mind, you cannot set goals and budgets unless you understand what your marketing strategies are, who you are aiming it at, or what equipment you are going to need. You cannot take it in isolation.

**CHAIR**—Following on from what Kelvin said, there are a lot of programs out there which relate to Indigenous business in one form or another. There are a lot within federal government, before you start adding the layers of state and local government. One of the things that people have been saying is that there needs to be much better coordination of the programs that do exist. Do you agree with that?

**Ms Richardson**—It is the same with everything. I have run the New Enterprise Incentive Scheme all these years. You talk to the average person in the street and they do not know what NEIS is. After 21 years, people still do not know what is available. There used to be, many years ago, a NEIS program specifically for Indigenous people, where it gave them two years. That could be a concept—that they work in with IBA to provide that—because IBA do not provide income support. That is roughly equivalent to unemployment benefit. It is a different bucket of money, but that could be valuable to give them support, to help them with that.

**CHAIR**—Do you think there is some benefit in the idea of some form of business one stop shop, where you can walk in and there is a whole suite of government programs that are out there for businesses that are able to be presented to you?

**Ms Richardson**—Yes, but only if it is well maintained and kept up to date, because most of the people involved in providing these services have difficulty keeping up to date with all the changes. There are so many different programs. You imagine the person in a remote community; it is difficult. So, yes to the concept, as long it is very well managed and kept up to date. Again, if you were going to have this facility in Broome and most of the clients are way north, is that realistic? Most of them will go down to Broome sometimes.

**CHAIR**—You have made an interesting comment in relation to CDEP: since the announcement has been made that CDEP programs will be removed, what you are intimating is that a number of senior women in various communities have taken this as a moment to want to try to achieve financial independence. Could you talk a bit more about that and, therefore, your view of CDEP.

**Ms Richardson**—As an outsider, I do not have detailed knowledge of CDEP. I have never run a CDEP. I know that some of the CDEPs are excellent; they have excellent outcomes. I also am aware of others which are not achieving what they should be. It can be a dividing force in a community. Where one family or group of families is receiving preferred treatment, that leads to resentment. If a CDEP is run correctly and it does develop training and programs, that is fantastic. I know some areas where it does, like Ashburton. In many areas, it seems they are not doing that and the people are not progressing. One of the things we are going to be doing next week, on behalf of the CDEP in Broome, is looking at the people who are listed as starting business to see whether they are progressing or not. They are saying it is difficult for them to know because they are very remote. That is a good example of IBA working with CDEP. I still have concerns that that information is so out of date, frankly.

In the north of Dampier Peninsula, when CDEP was still in place there, it did not seem to be achieving anything at all. It was just an option to be on the CDEP without any real outcomes. I believe that we all need to have goals and outcomes and we are all accountable. It is counterproductive allowing somebody to sit on CDEP for many years and not have the training, assistance and encouragement to move forward. Many women in the communities are the drivers. They generally have a passion to want to improve things for their people; absolutely passionate about it. Beagle Bay is an example. We are going to work with the artist groups there. That is probably an overriding factor in their wish to establish a business, and they want to do it in their own country.

You also need to be aware—I am always, certainly—of the differences with the different clan groups: the Bardi people, the Yamatji people and Noongar people, for instance; totally different scenario because the Bardi people in the north have country, have land, which is paramount to Indigenous people, whereas it is difficult for the Noongar people because they do not have their own native title.

**CHAIR**—All right. Julie, thank you very much for giving us your time.

**Ms Richardson**—It has been a pleasure.

**CHAIR**—If we have other questions—and I should have said this in relation to Angelique and Melissa—we may follow up with you through the secretary.

**Ms Richardson**—One other thing is that I think IBA is achieving a lot because it is getting fundamental support. In the last two or three years, that has been really good and useful. It is the only program I know that really goes to the basics, looks at the basics and works with the individuals. That should be retained and allowed to grow.

**CHAIR**—Thank you. It is important that you said that. I appreciate that.

**Ms Richardson**—Thank you.

[10.26 am]

**McGREGOR, Professor Murray James, General Manager Research, Desert Knowledge Cooperative Research Centre**

**ROLA-RUBZEN, Dr Maria Fay, Core Project Leader Desert Businesses, Desert Knowledge Cooperative Research Centre**

**CHAIR**—I now call Dr Fay Rola-Rubzen and Professor Murray McGregor. Do you have any comments to make on the capacity in which you appear today?

**Dr Rola-Rubzen**—I am also an associate professor at Curtin University of Technology.

**CHAIR**—Thank you. Although the committee does not require you to speak under oath, you should understand that these hearings are formal proceedings of the Commonwealth parliament and that the giving of false or misleading evidence is a serious matter and will be regarded as a contempt of the parliament. Having got that bit out of the way, I wonder, Murray and Fay, if you would like to make an opening statement, then Kelvin and I might ask you some questions.

**Prof. McGregor**—A good place to start would be to give some background about the Desert Knowledge Cooperative Research Centre because that sets the scene. We are a partnership of 28 agencies, government departments, NGOs, universities and CSIRO. Our focus is on looking at improving the livelihoods and opportunities and the economics of people and communities in remote regions of arid Australia and, in particular, if you look at the map, it is the darker orange bit which is shown on the map presented. It gives you a picture about the footprint that we have. We have about 240 researchers working for us, which is about 50 full-time equivalents and we are working in about 70 communities across desert Australia.

Our research foci are quite broad but specific in some of the things which have relevance to this particular hearing today. We are looking at livelihoods for people living in remote areas from NRM and the providing of monitoring and other services, looking at bush foods, four-wheel drive tourism, precision pastoralism, sustainable settlements, provision of services to remote communities, feral camel management and desert businesses, which is the focus of the submission that we put in here. As Fay has indicated in her opening, she is the core project leader in that area and she was the person that put the submission forward, prepared the submission for us.

**CHAIR**—Okay.

**Dr Rola-Rubzen**—Just to bring some context into our submission, I will give a brief background of our research. Over the last two and a half years our team has been conducting research with small and medium enterprises in the desert. Our main research focuses are: investigating the current livelihood and business situation in the desert; identifying potential opportunities for desert people, particularly for businesses; determining the skills and capabilities of people in starting or developing a small business; identifying factors that will lead to successful and enduring businesses in the desert.

We are also working with some case study communities across South Australia and Western Australia in an action research framework to have a deeper understanding of the barriers and constraints that businesses face, trying to find out what business models are suitable for Aboriginal businesses, looking at the social, cultural and environmental conditions, and determining enablers as well as factors that will lead to successful businesses in the desert.

The key findings that we have basically are in five areas. The push for economic independence for Aboriginal people has yet to deliver results in many parts of the desert, particularly in remote and very remote areas. While business enterprises offer pathways to economic independence, there are numerous challenges that small businesses face, particularly Indigenous business—for example, because of the distance to major markets, very small local markets; distance to markets for goods and services; high input costs and high transport costs; and, often, lack of basic services.

Second, there are business ideas, as well as significant interest in many desert communities, including Aboriginal communities, in starting a business, but they are faced with many barriers, including where to start, how to start, where to get resources—financial resources or even just training and skills development—and how to run and manage a business. Due to the lack of skills and know-how in starting and running a business, I think there is significant capacity building that is required in order to support businesses or people who want to start a business.

Third, government and industry have numerous opportunities for business. However, the current communication modes for contract opportunities, for example, are not effective in reaching desert areas, particularly Aboriginal communities and individuals. Fourth, there is also a diversity of initiatives at the federal, state and local level to support Indigenous businesses, but often Aboriginal people do not know where or how to access them and, if they do, they are faced with some stringent requirements and the paperwork involved.

Finally, there is a high turnover of personnel both on the ground and at policy level, which means continuity and knowledge management can become a challenge. This is important, particularly in the context of Aboriginal people, as relationships and trust are important for them.

**CHAIR**—You have gone through the opportunities and the challenges, which clearly are numerous. Perhaps we will start with the opportunities. What do you think are the business opportunities that are out there for Indigenous people in remote communities? Is it land management, the provision of bush products, as I think you have described them?

**Prof. McGregor**—Our research is showing a number of opportunities there. One is around providing services which the society as a whole will value, particularly around providing NRM services.

**CHAIR**—NRM?

**Prof. McGregor**—Natural resource management—sorry, yes, pull me up if I use acronyms—particularly around enhancing the environmental outcomes which come from desert areas. That is one major area, and we are seeing that coming through, with some of the ranger groups et cetera as examples of that.

**CHAIR**—With that, what are we talking about? Is this in the context of the carbon world, where we are wanting to have better carbon outcomes? What better environmental outcomes are we talking about?

**Prof. McGregor**—Improving the state of the environment there—for instance, feral animal control, weed control, monitoring the condition of various natural processes et cetera; there are a whole range of things there that are a service to society, but there is no market yet set up around that—and then obviously moving through to the carbon economy type stuff.

**CHAIR**—We are talking about that on both private land and public land?

**Prof. McGregor**—Yes. That is one opportunity. There is a lot of monitoring done by state and territory governments, and by federal government as well, which again can provide a livelihood opportunity. We use the term ‘livelihood’ quite particularly to not necessarily encompass a full-time job; it is about the ability for people to be pluriactive, to have a range of different components to get to the standard of living that they want.

They might drive a grader one day a week, then they may go and do some fire management for another part of the week, and they may be monitoring boreholes for another part of the week. It is not necessarily a job in the sense that you and I have a job that we sit down and work at on a full-time basis.

There are opportunities in the bush foods industry. Again, just reiterating what Fay was saying, some of those opportunities need developing. At the moment we are dealing particularly with bush tomatoes. There has been a serious drought. There has been very little rain across the area to keep the bush tomato industry going, so there has been a real collapse in the whole supply chain as a result of that. We have been doing some work around the agronomy of bush tomatoes to look at how people may shift into farm type production, but there are some cultural issues around that that need to be worked through as you start to develop that.

**CHAIR**—Can I just ask the really ignorant question: what is a bush tomato?

**Prof. McGregor**—A bush tomato is a very small fruit. It is a solanum. Once dried, it has a very intense taste. It is used extensively in sauces and chutneys and there is an export market for those products. At the moment those products are sitting on Coles shelves but, because there has been a drought, there is not a supply and, to hold the space on the shelf, they have had to redefine the product that goes onto the shelf until bush tomatoes become available again.

**CHAIR**—How are bush tomatoes farmed or collected?

**Prof. McGregor**—We have been looking at different irrigation and fertiliser methods and also looking at different marketing strategies and so on around that. They can be farmed, but there are some issues around cultivating them in terms of getting the appropriate plants and getting a continuity of supply from plants which are more standardised in production. Wheat has had a lot of breeding done on it over the years, so it has got to a point where it is very standard. Bush tomatoes are very diverse in terms of the initial plants that you are dealing with, so there is a lot of work to do there.

**CHAIR**—Part of the evidence that we have received is that some Indigenous communities are not particularly keen on those foods being commercialised. Is that something you have experienced?

**Prof. McGregor**—There are two views on this. I think it is, again, about moving at a pace that is appropriate for the people that you are working with. It is interesting: we have been doing some work in showing people enhanced planting where, just with simple irrigation, they can grow plants around the community rather than in an intensive operation with 10,000 to 15,000 plants in an area. That may be a pathway for people to move from the wild harvest to a fully cultivated type of situation. I think it is a lack of understanding. We have just walked some ladies from Central Australia through the value chain. We took them to Melbourne and showed them processing plants and how the product was used, and then through into Coles, for instance, to show them what happened to their bush tomatoes from the point where they were being picked. They had a world view at the start that they just went to the road outside, they got paid by someone from Alice Springs for those, and that was as far as they understood what happened to them. Once we took them through that, they had a better understanding of how their products were being used. So some of it is around education and capacity building and letting people know what the opportunities are there as well.

**CHAIR**—I think I interrupted you. You were going on from bush food.

**Prof. McGregor**—Yes. I think there are a whole lot of other opportunities around services in terms of localised communities. The communities we are dealing with are, in the main, isolated and, as Fay said in the introduction, a long way from large markets et cetera, but that has an advantage associated with it as well. There is a comparative advantage. If you are a long way away from services or if people have got to bring services to you, having those services provided locally is an opportunity; it is a lower cost to do that.

A good example is the Birdsville-Bedourie community, which as a community—and that is both the Aboriginal and non-Aboriginal people there—have set up a contracting business there, which means that that community now has 100 per cent employment of Aboriginal people. They have found a comparative advantage—that is, plant hire and maintaining roads and so on in that area—and they have turned that into a business which is really sensible in terms of taking advantage of the remoteness of their operation.

**CHAIR**—The other question which Fay raised in her opening is the issue of business literacy and how one deals with that; how you can improve business literacy or maybe work around it. What are your views in relation to that?

**Prof. McGregor**—I will pass that question to Fay.

**Dr Rola-Rubzen**—In the communities that we are working with, to start their business there is a lot of capacity building involved, from the very basic things such as, sometimes, the administrative stuff like filling in forms; where do you get the resources; how do you manage the business; how do you run the business; so training themselves. That would be a start: identifying first the training needs. There are various skills needed, and some of them have already some experience and some have none at all, so identify what their needs are and start from that, but do not finish at that level. Often mentorship on the ground is very important. For example, in one of

the communities that we are working with in the far west coast, where we have somebody on the ground working with them, there are now a few enterprises that have developed in those communities. It is a long-term rather than a short-term approach. It is about working within the pace that the community is comfortable with and also trying to work one on one with some of the people who are really interested and have a passion for doing it.

**Mr KELVIN THOMSON**—You mentioned the feral camel management. It has often struck me that Australia has massive problems with weeds and pest animals and that there are potentially jobs and employment in seeking to control these things. How many jobs are there, and what is the economic model? How does it work?

**Prof. McGregor**—Very good question. Yes, there is a major problem with camels out there. There are some opportunities around that for pet-meating, the straight culling, and also potentially for human consumption. I could not give you an exact figure on the size of that market, but I think there is some real potential. We have seen some work being done out on the Ngaanyatjarra lands recently, where a small number of job opportunities are coming up. But it is not a full-time job, as I said earlier. In that particular case, it needs a capital resource—an abattoir—strategically put in place to allow the rest of that industry to come together; in other words, there are then going to be jobs in capturing and shifting the animals to a point where they are going to be processed. There are some critical points there.

In relation to the broader natural resource management area, we are doing some work at the moment on how to set up a proper contractual basis around that. I do not have the details with me, but I am quite happy to provide further details in the future. The key point there is that you have to have something accountable in terms of what is happening on the ground; for example, as a practice, there might be fire-burning at particular times or cleaning out waterholes and maybe monitoring waterholes. The key thing is to get a contractual basis set up so that the people paying for it—in this case, I suspect, the government—and the people on the ground know that that service is being provided. But I do not think that is insurmountable.

A major problem that we see there is that, if that had to go out to open competition, the impact that the competition policy might have on that could be quite significant. In other words, it could close out local people and allow people from the coast to come in and do that work.

**Mr KELVIN THOMSON**—In terms of something like camel control, do you get a sense that there are skills being built up, that people are learning things and we are going forward?

**Prof. McGregor**—I am in the process of writing a final report for the government on this. There are some skills there but, to be realistic, I think that the number of camels which are being taken out on a per annum basis is somewhere around 3,000 to 5,000 at the moment, and there is a population of between one million and 1.3 million animals. So, yes, there are opportunities. We know in the APY lands—

**Mr KELVIN THOMSON**—But in terms of the size of the problem, this is pretty much at the margin at the moment.

**Prof. McGregor**—It is very much at the margin at the moment. As I said before, the critical factor is that we need a major capital resource put in place, which would be an abattoir. We know



where the concentrations of the animals are and we can give advice now on where that should be.

**Mr KELVIN THOMSON**—Are the camel numbers increasing?

**Prof. McGregor**—They are increasing at 10 per cent per year and they are doubling every eight to nine years.

**CHAIR**—Really?

**Prof. McGregor**—Yes.

**CHAIR**—That has completely blown me away.

**Mr KELVIN THOMSON**—While we conjure with that, I raise a broader issue about desert ecosystems, and there is a lot in your submission that relates to that. It does bring forward the question in my mind as to whether the desert ecosystems that you have on the map are going forward or are stable—neither improving nor deteriorating—or do you think they are going backwards?

**Prof. McGregor**—I am probably not the right person to ask that, I am sorry. I think that overall they are going backwards. Just thinking about what is going on with the camels, my position would be that they are going backwards.

**Mr KELVIN THOMSON**—That is one example where they probably are not going forward. Have you come across many Indigenous people who want to start a business in the desert? I was talking to a previous witness about us receiving evidence that the people you want are the people who want to do this, who want to make a go of it, want to make a success of it. Are there significant numbers of Indigenous people who want to start businesses in these remote areas?

**Dr Rola-Rubzen**—Yes, in our experience. There is significant interest in starting a business. The main issue is not knowing how to do it, how to start, and then not knowing basically where to get the resources, the help and assistance. Sometimes there is a fear of starting a business, not knowing what to do.

**Mr KELVIN THOMSON**—It is certainly one thing to have the skills and the expertise and so on, but there is this threshold question of, ‘Are people hungry? Do they want to succeed?’

**Dr Rola-Rubzen**—There are definitely people who really want to. I think those that succeed are those that have the passion for doing it. If you combine that with the supportive environment, then they will really thrive, some of our case studies have shown.

**CHAIR**—I really want to ask you about camels. I will send you a copy of the report. How much is a camel worth?

**Prof. McGregor**—There are different ideas on that. Some people believe they are worth \$500, but I think around the \$200 mark is probably realistic. But, again, it depends on the

market. At the moment there is no market for them, so their value is very low. They have a low value because they are there for pet meat basically.

**Mr KELVIN THOMSON**—Therefore the cost of capturing, killing them, transporting them et cetera means that it is not a lucrative business.

**Prof. McGregor**—It is the big problem of live export and anything like that: shifting them from where you catch them to a port. It could be a distance of 2,000 to 3,000 kilometres. You can only load them on trucks one high, unlike cattle which you can load two high. At the moment there are a whole series of things which go against the economics of managing camels in a way that might get you some economic return.

**CHAIR**—What do they do to the landscape?

**Prof. McGregor**—They do significant damage to cultural assets, including waterholes. They eat 80 per cent of what is on offer. They are doing significant damage to quandongs, for instance, and other species which are valued by Aboriginal people.

**Mr KELVIN THOMSON**—Do they get to the bush tomatoes?

**Prof. McGregor**—Yes, bush tomatoes is one of the species. The quandongs is one in particular, which is a big problem. They foul waterways. They eat plants which native animals would eat. Although there is no quantitative evidence on that, you would assume that that is having an impact on the native flora and fauna and hence where we started with this conversation: there are opportunities there to protect our natural environment, which is pretty important in terms of the whole of the economic services that the desert in Australia provides to the Australian economy. It is a pretty important issue.

**CHAIR**—Is it the No. 1 environmental issue for the desert?

**Prof. McGregor**—Because I am highly involved with it, I would say yes. But there are other environmental problems out there as well in terms of weeds like buffel grass and so on, and other pest animals.

**CHAIR**—I guess, as you said, that represents a huge opportunity.

**Prof. McGregor**—It is an opportunity, but I would put some barriers around it because, in terms of the remoteness, in terms of where some of the intense populations are, it does actually cause some problems.

**CHAIR**—So where are they?

**Prof. McGregor**—There are two hot spots. One really big hot spot is on the tri-border area between the Northern Territory, South Australia and Western Australia, and there is another hot spot further north in the desert country, above that, in Western Australia.

**CHAIR**—Going back to the question that Kelvin raised in terms of motivation to engage in business and so forth, is there a desire amongst the Indigenous populations there to deal with this issue and make a business out of it?

**Prof. McGregor**—One of the things that we have been finding is that the management method needs to be negotiated and be culturally acceptable to the people whose land you are operating on. I think that is very important. One of the things that we miss in a lot of the policy work that we do is that, where people come into contact with the economic system—especially in desert Australia where there are a lot more traditional people—if the economic system is going to impinge on the cultural system, people will not engage. So it is about getting the two things—the economic activity and the cultural activities—working together. That is pretty important.

**CHAIR**—I wonder if you can talk a bit more about that. I do not know if you had the benefit of listening to our previous witness Julie at the end, but we raised exactly this issue about whether or not engaging in market capitalism on the one hand and various cultural obligations that Indigenous people have on the other are necessarily in conflict. Her evidence seemed to me to be that it was. Do you have that view, or do you think there are structures or methods that can be worked out where you can bring those two things into some form of harmony?

**Prof. McGregor**—Fay has been closely working at this level.

**Dr Rola-Rubzen**—Sometimes there are conflicts between the conventional business models and the cultural aspects. We find that particularly Aboriginal people will be more willing to go into business or a livelihood if it does not clash with their culture. Land management is an example, because protection of the land is very important for them. So if the business is around taking care of the land, then they will be very much willing to go into that. The other one is their arts, for example. Painting for them is a depiction of their dreaming, and also the landscape, and making sure that the knowledge is passed on to the youth, so this is another thing that is very close in their mind. Ecotourism is another potential business that they are very happy to deal with because it is a way of informing other cultures about their culture, so for them this does not clash with their culture. So, yes, there can be a clash but there are ways of engaging in business where they can do both.

**CHAIR**—But even with that culturally based business, the theme of the evidence that we have been getting everywhere we have gone is that there is a kinship obligation in Indigenous communities which works against individual entrepreneurship: somebody goes out and, in doing whatever they are doing—be it grading a road or painting a painting—makes money, and then there is an obligation on them to share that with other members of family or extended family or whatever, and that that kind of mitigates against business activity.

So my question is, firstly, is that something you have come across; that that is how it works? Secondly, do you think that, if those obligations exist, they necessarily work against business development, or is there a way in which you can build that in?

**Dr Rola-Rubzen**—I think that is a real challenge. In many of the businesses that we work with, they mention that as one of the constraints for them to move the business forward. However, many of them have also dealt with it by sometimes saying no, being firm and

explaining to the relatives and family that, 'This is a business and we need to run it as a business, but if you want to benefit from it you can contribute.' We know of some businesses where this has actually worked. They said it is a matter of being firm and saying, 'This is how we run this because it is a business.' But, yes, it is indeed a challenge.

I think that is the reason why other businesses or entrepreneurs move out of the communities initially, because they want to be far from that. However, many of them go back to the communities once they have established the business, and try to encourage employment in the communities. But another business model where that can be dealt with is where an individual has the business, so the business is not a community business, and they employ people in the community and everybody is contributing towards it. For the individual entrepreneur, they are able to meet their individual goal as well as helping the community.

**CHAIR**—That is really interesting. Thank you very much, Fay and Murray, for giving us your time this morning. We really appreciate it. We might follow up with some other questions through the secretariat, but it has been fascinating evidence. I certainly have learnt more about camels—well, actually I did not know anything about camels but you have alerted me to an issue I did not know existed, so we will refer that to the environment committee and they can start doing an inquiry into it.

**Prof. McGregor**—Thank you, I appreciate it.

**Dr Rola-Rubzen**—Thank you very much.

**CHAIR**—Thank you very much for your time.

**Proceedings suspended from 10.56 am to 11.18 am**

**COOK, Ms Samantha Lee, Executive Producer and Chief Executive Officer, Yirra Yaakin Aboriginal Corporation**

**MacPHAIL, Mr Paul Campbell, Operations Manager, Yirra Yaakin Aboriginal Corporation**

**CHAIR**—I welcome Paul MacPhail and Sam Cook. Although the committee does not require you to speak under oath, you should understand that these hearings are formal proceedings of the Commonwealth parliament and that the giving of false and misleading evidence is a serious matter and may be regarded as a contempt of the parliament. Would you like to give an opening statement, and then Kelvin and I will ask you some questions.

**Mr MacPhail**—Sure. We did give some general information about Yirra Yaakin to the committee beforehand.

**CHAIR**—Which we have, yes.

**Mr MacPhail**—More closely aligned to some of the discussion points that you are looking at, we are a wholly Aboriginal controlled, member based, non-profit Aboriginal association and our work has been primarily theatre based, with the emphasis on creating new contemporary work built on a strong community base, getting stories from the community, leading the community through a process of development and artists through development to be able to create new works of theatre. We have been going for about 15 years and have toured nationally, regionally and internationally, and at times international recognition has surpassed local and national recognition for the work that we do.

We are based in Perth, so there is a small audience base, and that, combined with limited arts funding levels, has meant a need to diversify and focus on money-earning ventures such as school workshop programs and doing welcomes to country for corporate bodies and things like that, which just basically brings in money but pulls our focus away from core business.

We have had contact and have been involved with some of the enterprise support programs that are in existence. We make use of the STEP program and used to make use of the Indigenous training program when there was more money available. We have also been involved with the Office of Aboriginal Economic Development in terms of the possibility of incubating new business enterprises amongst the community, particularly, at one point, in terms of an Aboriginal dance company. There was a lot of interest in the community about being incubated by us. We went through a whole process of filling out funding forms and talking to the Office of Aboriginal Economic Development here in WA, and it basically just fell in a hole. We never, ever heard from them again. Our contact with the ICC is minimal and is usually only when we initiate it. I am not sure that we have ever had any contact from the ICC beyond the grant-giving process, and that is usually just asking us for reports.

As I say, we are a theatre company and we are a non-profit organisation, but we do see certain sectors of our work having real commercial opportunity and benefits. Particularly, we are looking to move into—and it is part of our new business plan—film and TV production via a

film and TV production house. There is a demand for that out there at the moment and there are not Indigenous structures for that. All the production houses are non-Indigenous. We think that that might be ripe for commercial enterprise assistance. That gives a bit of a context and the background.

**Ms Cook**—Another example of our commercial aspirations—and it feeds into some of our greatest challenges—is that we have a production that is the scale of and the potential to be Australia’s first Aboriginal *The Lion King*. We cannot get funding for it within Australia, and the sea of ‘no’ over here means that we went to the United States, where we were able to source seed funding. That is an indication of some of the systemic racism within the structures that have been set up for Indigenous organisations to get ahead in terms of commercial opportunities. It also identifies a bit of a tension between an arts sector that is subsidised—and quite rightly, because a lot of the arts development stuff is non-returnable income—and wanting to move towards something that has a potential to be a for-profit or a surplus model. You are in a bit of a dilemma patch there.

Some of the other tensions and challenges that we face on a practical level are things within that systemic racism, within the structures, such as the confirmation of Aboriginality process, which is set up for us to fail. It does not provide any mechanism for safety. It actually provides a mechanism for continued marginalisation in terms of accessing funds and opportunities. Indigenous Business Australia, for example, have provided new revised templates for this type of information gathering, so they do not honour any other documentation that you would have in place. No other sector has to provide proof of their identity, but the Indigenous cultural sector does.

In terms of opportunities, however, cultural exports are an obvious one for us. As Paul has mentioned, we are hugely successful internationally, but try and source that recognition for a company based in Perth and you are up against all sorts of levels of continued isolation out from the real opportunities. On a practical level, that could be, for example, a funding body based in Sydney not grasping the concept of opportunities for regional artists to be involved in our processes because they see that their commitment really only covers a major town.

We are very much leading in terms of a national theatre movement within Australia, similar to the black theatre movement of the United States, but we recognise that a black nationalism model does not necessarily fit when you have 800 different tribal groups within one country. The needs are very diverse and, when you are looking at a model of diversity, the first thing you have to honour and recognise is that it is diversity in its most real form in terms of Indigenous Australia. It is not, ‘Well, there are certain sectors that meet that more nationalist model.’ How does something translate in terms of parity and access and opportunity for someone who is based in a tri-state region, for example, in terms of commercial outcomes and ventures?

**CHAIR**—Thank you for that. Can I start by asking you about how you are structured. Can you explain how the governance works? Do you have permanent employees?

**Mr MacPhail**—There is a board and I think there is a minimum of seven and a maximum of 15 or 17 or something like that. It usually hovers around nine. So there is a board elected by the membership at an AGM every year. There is a rotational policy on the board, so they are elected for three years and rotate off so that there is succession planning going on. That board then

employs the two key executive positions, which Sam and I currently hold, and we then employ the rest of the staff, based on the board's authority. Currently, we have a core staff of eight. Three of them are part time and five of them are full time. Then we employ throughout the year up to about 100 contract performers, designers, and writers. Of the people we employ, we try and maintain that 80 to 85 per cent of them are going to be Indigenous.

**CHAIR**—Are the eight full-time and part-time staff performers?

**Mr MacPhail**—No, they are management, administrative, marketing, that sort of thing.

**CHAIR**—So all the performers are engaged on a contract basis?

**Mr MacPhail**—We are looking to try and have an ensemble, if we can, next year. We have just gone through a triennial funding application process and part of that process is looking to employ an ensemble model for next year, which is full-time performers, simply because you can create more new work if you have performers there.

**CHAIR**—Do you have a sense of how many hours a week you are getting out of the performers that you use? Are they engaged almost full time with you or would it be part time for most of them?

**Mr MacPhail**—Most of our performers will do a rehearsal period for three weeks, and then between five and 10 weeks performing, and that varies simply because of the regional touring that we do. Some tours may go for 10 weeks, some for five, and some of them are just the three- or four-week metro season. When they are employed in those situations, it is full time; it is 40 hours a week.

**CHAIR**—So typically they get a season out of you.

**Mr MacPhail**—Yes.

**CHAIR**—Are you an incorporated association?

**Mr MacPhail**—That is correct, yes.

**CHAIR**—So who is your membership?

**Ms Cook**—Indigenous people are our core members. In terms of the Aboriginal constitution, it is an Aboriginal member base that we operate from. We do understand that sometimes we need to draw on skill sets that are not readily accessible within the Indigenous community, so we have a non-associate membership, which means that there is no voting ability but there is a potential to make informed decisions at board level, and I think that is important, because we have been advocating for Indigenous governance models within Australia to be recognised as a real and potential opportunity for organisations to be governed under these models. They are unsolicited at the minute. We have been kind of pushed towards a charity model or a trust model, but there is potential there for that recognition.

**CHAIR**—So there must be a Western Australian incorporated associations act?

**Ms Cook**—It is federal. It is the Aboriginal—

**CHAIR**—That is what you are incorporated under?

**Mr MacPhail**—It is the 1976 act.

**CHAIR**—Okay, under that. No worries.

**Mr MacPhail**—So we are moving to the C(ATSI) Act.

**CHAIR**—Do you have lots of people wanting to go on your board or do you need to go out and recruit people?

**Mr MacPhail**—It is not a huge pool of people whom we can attract. The normal and approved make-up of an arts board is that you make sure you have someone with media skills, you make sure you have an accountant, you make sure you have someone with legal expertise and then you make sure you have a chairperson who is across all of that and can also manoeuvre in amongst all the political factions that go on in any community organisation. The number of people in the Western Australian and the Perth community who can fulfil those sorts of roles is tiny and they are in great demand from any Aboriginal board. So at the moment we do not have a lawyer or an accountant on our board. As I say, we access those sorts of people through, as Sam was saying, the associate membership, on advisory groups. The number of Aboriginal people who would want to be on our board is probably quite large but the number of Aboriginal people who have the skills that we actually need is not so big.

**Mr KELVIN THOMSON**—Sam, you said that no other sector has to provide proof of cultural identity.

**Ms Cook**—In the form of a confirmation of, yes, Aboriginality.

**Mr KELVIN THOMSON**—In order to do what?

**Ms Cook**—In order to access Indigenous funds. In order to submit to processes such as the Indigenous Business Australia models; the Australia Council. There are precedents where it is not required. For example, Arts South Australia does not require this because they have got a neat single line in there that covers legal fraud for people who are not Indigenous who are trying to access these funds. However, the general consensus is that we have to go through a process of hoop-jumping in order to obtain funding that no other organisations need to be doing to prove their viability or authenticity.

**Mr KELVIN THOMSON**—When you say no other sector, is the contrast with Indigenous arts organisations elsewhere or with other Indigenous business organisations, or what are you contrasting this with?

**Ms Cook**—The ‘no other sector’ is non-Indigenous companies. If an Indigenous arts organisation, for example, was going to the theatre board of the Australia Council, wanting to run an Indigenous program of activities, it would still have to provide this proof of Aboriginality. Organisations such as ours, which are community based and under incorporation, still have to



provide letters of support from our community. There are these kinds of measurements in place and you need to fulfil all of these criteria before you can even submit your application.

**Mr KELVIN THOMSON**—What does providing proof entail?

**Ms Cook**—You have to solicit a range of support letters for your organisation from the community sector. You have to solicit testimonials from the community. There is no centralised opportunity to do these confirmations of Aboriginality just once—I have got seven—because obviously people do not like them being three years old. Perhaps you have changed your identity! There is that kind of insanity. Indigenous Business Australia, for example, have a template that they request that you use if you have a confirmation of Aboriginality and, in order for it to be legal, it needs to go to an Aboriginal organisation and be minuted in the board minutes, have the common seal attached to it, and two signatories. If you do not have that and you do not have that on their template or you cannot access an Aboriginal board in order to get this within their time line, you cannot access the funds, and so it goes.

**Mr KELVIN THOMSON**—What do you think that government could do to provide more incentive for Indigenous people to find a career in the arts or to start a business in the arts?

**Ms Cook**—Part of it is taking on board what the community is actually wanting. For example, the Halls Creek community was part of what is considered to be the WA intervention. Halls Creek was considered to be a bit of a paedophile capital in Western Australia. It really hit the community hard. The request from the elders was that they wanted to rebuild through performance, through culture. We were then called upon to try and provide a pathway for that to happen. The community then became motivated and wanted a whole-of-community approach to that. Everyone in that community could participate in some capacity, be it the elders with generational learning for the youth, and the mums and dads then going and providing certain props and cultural resources for these performances. It became a lifeblood for the community. These things have a real impact for suicide prevention and on wellbeing within communities, because if you are bored witless and under siege because of these kinds of other issues, there is no let-up; it is relentless. A lot of the Aboriginal community call it ‘the dark cloud’.

Providing a pathway and providing a real, tangible outcome fits into a greater matrix of opportunity. For example, wanting to pursue performance and culture meant that there was potential then for a group of cluster communities to get together to buy a truck, to perform, and to rotate the truck around the community. There were then cultural tourism opportunities within those regions. It meant that it was growing a pool of Indigenous artists for organisations and companies around Australia to then draw from. It starts to grow the cultural export and industry sector because there are real outcomes on the ground that started from the ground. As I said, the elders said this is how they want to be proud again; this is what they want to do.

We took this vision to a range of funding opportunities, and it sits dormant. It was presented to the state government as part of an ideas opportunity. The communities are still at point zero. There are real opportunities. We work within a global context, so we feed into a range of international pathways for our artists, we feed into a range of national pathways for our artists, and we promote that from the ground up.

**Mr KELVIN THOMSON**—This feeds neatly into the next thing I was going to raise with you. You have been going for 15 years and no doubt there have been various Aboriginal performers or artists who have gone through the corporation and been developed by the corporation. Are there some who have gone on to bigger and better things?

**Ms Cook**—Yes.

**Mr KELVIN THOMSON**—Or is there something that happens after they have been involved with your corporation?

**Ms Cook**—Yes. If you have a look at the large proportion of the Western Australian Indigenous artists, they have either come through what we call the ‘Bran Nue Dae school’, which is people like your Ernie Dingos who have had contact through that, or they have come through Yirra Yaakin, or they have come through a Jack Davis opportunity and then come through Yirra Yaakin. Historically, a part of the cultural fabric of performing culture is in theatre within Australia and within Western Australia, so there have been a significant number. And we have been able, through our intellectual property and our processes, to extract, at times, local artists. For example, there was a young kid involved in a workshop with the company. We saw potential. We nurtured that potential. We encouraged him to go to WAAPA for the Aboriginal musical theatre course. He successfully completed that and we employed him. We can have that pathway. He is someone who has huge potential in the future.

**CHAIR**—What is core business for you?

**Ms Cook**—Core business is performance. It is telling the Aboriginal story through an authentic process, which we understand as a concept we are looking into called the ‘cultural multiplier’, whereby the authenticity of the work is measured by the level of Indigenous input and control into the development of that work. How many times this piece has been touched, be it by an Indigenous writer, an Indigenous director, the Indigenous company, the Indigenous administrative support, produces a level of authenticity that we can then hold up as part of the greater Australian identity on an international platform, because through our research we know that a lot of the opportunity for Australia in terms of cultural exports is in Indigenous performance and art.

It is a struggle for us because a lot of the conversations at government level, when they talk of Indigenous arts, is very visual arts focused and, at times, Indigenous performing culture is not even on the periphery of that conversation. So within that discussion there is really not a lot that is directed towards performance, whereas we understand that we are an oral performing culture.

**CHAIR**—Taking on board what you have just said, who is your market? Do you see the market as international?

**Ms Cook**—It is twofold. We will maintain the importance of recognising the Indigenous market first and foremost, and that is for our wellbeing and development. In terms of dollars, it is GP; it is general audiences. It is building, through our new company models, the opportunity to engage in the new technologies or the film and television media, so we are broadening our footprint. International obviously is a lucrative opportunity for us, because there is a market out there, and it is a big place out there. You can spend a lot of time touring, and over the last two

years we have been across 35 international activities, so we have a lot of intellectual property in that realm. So, yes, there is a range.

Education is a huge market for us but, again, we service that unsolicited. While we might make money, there is not a formal recognition within the education sector that says an organisation, any arts organisation, is part of the formal process of curriculum framework. We produce resources and we service that without that recognition, which is a struggle and it does not seem to make much sense because often we are doing the role of specialist teachers. For example, there are a lot of conversations about teacher shortage; the arts community have stepped up and already have been covering that.

**CHAIR**—I ask the question because you told the story about Halls Creek: presumably that is a good example of core business, but presumably the audience for that was the Indigenous community itself.

**Ms Cook**—Yes, but it does work twofold and that is my original statement: some of the arts development opportunity is subsidised and, realistically, it needs to be. Whether it is at its needs level in terms of where it is being funded is another question altogether, but there is then the opportunity for the commercial outcome through cultural exports and being in a position to service and take advantage of things like the emergence of the National Indigenous Television network and how that fits in. That is part of Foxtel, so there is potential there for a company like ours. In our restructuring and business planning, we have already grappled with where we could grow the company, be it also having a venue here in Western Australia that can be quite iconic for this opportunity.

**CHAIR**—You do international tours at the moment?

**Mr MacPhail**—A typical sort of annual program might be that we will do a schools touring production that will tour in Perth metropolitan schools for maybe five weeks, visiting at least two schools a day for those five weeks. Then it will probably do a three- or four-week tour of a region of WA, so it might be the Pilbara or the South West or something like that. There is always at least one other tour of regional WA, which is just for Aboriginal communities; sometimes visiting schools but more often remote and regional Aboriginal communities. They are usually issue based: there are areas of concern to the Aboriginal community that we have turned into a piece of theatre that can help raise discussion on that issue.

We will then do general public shows. That might be in something like the Perth International Arts Festival. We would do a public season there, or the Winter Arts Festival which is here in Perth. Again, we would hire out a venue for two or three weeks and sell tickets to the public. We will do an international tour. This year it was New Zealand, last year I think it was Canada, the year before that it was the UK, so there will usually be at least one international tour where we are taking a product overseas. That is generally paid for by the presenters themselves, so it will be an international festival who will see our work somewhere and approach us to buy it, then a tour will happen.

**CHAIR**—So there is nothing subsidised about that?

**Mr MacPhail**—They never, ever give us enough money.

**CHAIR**—I am sure that is true.

**Mr MacPhail**—They do not cover everything. We quite often have to find airfares and freight costs just to get there. They will pay us a performance fee and pay for accommodation while we are there, but airfares just do not happen. All of this is constrained at the moment—we talk about this to the funding bodies and I am sure just about every arts organisation talks about this to the funding bodies—because, in the last five to six years, arts funding has not increased, but of course the cost of living has. Five or six years ago we would present three new works a year. Now we are lucky to present one.

Of those three new works a year, there might have been a cast in one of them of five or six people. Now we cannot afford to do more than one show a year and it can only have three people in it, just because of the cost of living. The administration of our company has not grown, or anything like that, but the costs have grown and arts funding has stayed like that. As I say, we have gone out into other areas. At the moment, in terms of our turnover for the year, earned income that we are pulling in ourselves accounts for between 45 per cent and 55 per cent of the annual turnover. Funding is less than 50 per cent generally.

But all of that pulls us away from core business. The earned income we are talking about comes from doing welcomes for country for corporate clients and holding workshops in schools, which are basically babysitting sessions while the teachers go off and have a cup of tea. They are the sorts of things that pull us away but they are what we have to do to keep surviving, even just to be able to put on the one new work a year.

**CHAIR**—In terms of the sorts of things around the performance, like the production of sets and lighting and stuff like that, typically will that be done by Indigenous people as well?

**Ms Cook**—There is a growing pool but there is not a great number of individuals who can do that. We definitely have that as part of what we do. We try to pull in Indigenous production. We have an Indigenous production person now. For set and design, if we cannot get anyone Indigenous, we will generally try to mentor or find some vehicle or mechanism to enable that. But, yes, we definitely have, in terms of this concept of cultural multiplier, a high rating in terms of authenticity.

**CHAIR**—In terms of the money coming in—and I hear what you say, that for you a lot of that is not necessarily core business, although it does sound as though some of it is core business—

**Mr MacPhail**—It is, yes.

**CHAIR**—do you think, as a cultural export, there is potential to grow?

**Ms Cook**—Yes.

**Mr MacPhail**—Yes.

**CHAIR**—Do you want to talk about that.

**Mr MacPhail**—In purely financial terms?

**CHAIR**—Yes.

**Mr MacPhail**—We have been to, say, the Belfast Festival, two or three years ago. I will use that as an example. They were prepared to pay a certain amount of money to us and they paid it right back as much as they could because to them we were an unknown quantity. The next time we go to the Belfast Festival, if they want us, we will be able to charge more. They are the simple economic terms: there is opportunity for growth because people like that will pay more money once you have a name. We are establishing that name and are able to ask for more money. We can ride on the back of that success, is what I am saying.

**Ms Cook**—Yes, and adopt a similar model to the Bangarra which is that you do not get out of bed if it is not going to be financially viable. In order to establish brand and name out in the market, we had to take a bit of a hit in terms of some of the financial income but, in terms of what is possible, our brand is out there probably more than within Australia.

That is still a core viable market: brand development and continuing to grow our national market. We have a strong name within the sector itself but, in terms of partly re-educating the Australian community on what actually is Aboriginal theatre, because there are a lot of Aboriginal themed works out there, that is a point of difference that we are continuing to pursue. There is a common goodwill amongst the existing black stage theatre companies in terms of wanting to navigate and negotiate a black stage touring circuit around Australia. There has been a pilot that the companies initiated a couple of years ago in terms of that touring model, so there is real opportunity there. In the greater matrix, there is the transferable skills development that we are looking at, growing the pool of the national artists, how we then complement and work in synergy with film and television, because we are both competing for half of the same resources often. There is a lot of potential there. We have identified a lot of that internally but it is a matter of getting the platform and the opportunity for it to resonate a bit more, higher up in the food chain.

**CHAIR**—In terms of TV, is it just a matter of translating your performances to TV?

**Ms Cook**—That is part of it. There are a couple of areas. Arts development: a lot of our writers, for example, who are great writers for theatre, cannot write for film and television. They are two different beasts, so we have been looking at opportunities for skills development. Part of this is a successional plan about creating a robust skill set within our artists themselves so that we can have writers who can write for film and television and who can write for theatre; that we have directors who can direct for film and television, direct for theatre; our actors similarly. So we are looking at what that means and what our needs are in terms of developing that skill set for our artists and developing the industry, because it is in its early stages. We are growing and there will be more of that. We have a range of products under way.

**CHAIR**—I know of NITV. I do not know a lot about it, but I am assuming that the main audience for NITV is Indigenous people.

**Ms Cook**—But it is general. It is whoever wants to switch in. It is part of an international network of Indigenous television. There is Maori TV in New Zealand. There is the native Canadian Aboriginal network. These are part of their cable television networks and things like that. The two audiences that I identified earlier are real. They do exist.

**Mr MacPhail**—And it is a hungry beast. It is on 24/7. It needs content.

**CHAIR**—Is the existence of NITV what is driving your thinking?

**Ms Cook**—No. It is opportunity.

**Mr MacPhail**—No. That appeared at around the same time. I think the growth in Indigenous artists who want to express themselves in film and TV is what we are responding to. We are an organisation that can help develop that and so we are trying to find a model to be able to help the artists do that, and it seems to us that that is also going to benefit us, because there are commercial opportunities there.

**CHAIR**—I am trying to kind of place you in my head as an arts model. I am thinking: are you an Indigenous version of Circus Oz? It also does a lot of performance overseas. But it sounds like you play an educative role for the performers with you, in a way that Circus Oz would not, I do not think. Is that right?

**Mr MacPhail**—There is an artist development role, definitely. It is very strong.

**Ms Cook**—Yes. There is the artist development. There is the cultural authority model, so we operate with Indigenous protocol. We trade amongst Indigenous nations within Australia with that, because our cultural footprint does not extend to the Koori nation. We have to recognise that there are differences, for example, in how we travel to their country. So we have that as part of the fabric. We also service, as we have mentioned, the education sector. A lot of our opportunity recently has been through the health area because they have recognised the power of what we do through the issue based work in terms of rebuilding communities.

**CHAIR**—Like the Halls Creek example, yes.

**Ms Cook**—Yes. We are funded through that to pursue that. However, there is an artistic dilemma in that, because then you will be seen as the issue based company and then our main stage productions suffer. It is a difficult question to answer, because we are a unique model of operation and we are drawn on by a lot of other Indigenous organisations within Australia and internationally for this model. It seems to be something that is responsive to their needs as well: development of our constitution, and how we operate and navigate our way through maintaining some integrity and connect to community, and not seeing community as separate but as an integral part of our excellence, as well as producing arts business practice, because in reality we have to be both. We cannot see that this is not dollars and cents as well, because it is.

**CHAIR**—We might follow up with you on some of that. I would be keen to have a look at your constitution. I do not know whether that forms part of what you have given us.

**Mr MacPhail**—That is fine.

**CHAIR**—I do not know if you have had the benefit of listening to some of the other evidence, but across a range of industries there is this tension between Aboriginal cultural expectations and obligations and ways of doing things and a capitalist, business orientated way of doing things, and these come into conflict. It sounds as though you have got a unique way of resolving that.

**Ms Cook**—Yes. We have grappled with a lot of these hard questions. We have really looked at it and pulled it apart and put it back together to see if a model that can work on the ground can still be respected and honour the obligations to community but can have a viable commercial outcome as well.

**CHAIR**—It would be good if we could get a look at that.

**Ms Cook**—Yes.

**CHAIR**—Thank you very much, Paul and Sam, for coming in. We really appreciate the time you have given us and, as I said, we may well follow up on a couple of those questions, but we would really like to get a look at the constitution.

**Ms Cook**—Yes.

**CHAIR**—And we very much appreciate your time this morning.

**Ms Cook**—No worries.

**Mr MacPhail**—Because we have been a part of this, if a report does come out do we automatically get it?

**CHAIR**—Yes. Our timing on this is that we are looking to have a report around the end of October.

**Ms Cook**—Wow! That is tough. October 2009?

**CHAIR**—Definitely not October 2009! It will be October-November.

**Ms Cook**—In terms of this model and how it has been introduced to government, I think there are some really interesting things, but there needs to be more discussion on this. ‘One size fits all’ does not work within the obligations, as you said, in terms of satisfying both. But, yes, it is interesting. It would be nice to unpack it a little bit more to see what the real measurements are in terms of Native American outcomes, which is probably more aligned to Indigenous Australian outcomes—the black movements are a little bit different—and to see what that means in terms of an outcome, and what we can throw out to use, to pull back in. But, yes, we recognise that there could be potential there.

**CHAIR**—You are absolutely right. I am sure one size does not fit all, but it is good to see a size that fits someone, because when we ask this question, often the answer that comes back is that Indigenous entrepreneurs just have to learn to be hard-nosed within their own community if they want to pursue an entrepreneurial role within our market economy, which I guess is an answer, but if that is where it is at, it is a bit sad that that is what we are presenting to people.

**Ms Cook**—Yes, because sometimes it is an answer if it is your concept. There are some great Aboriginal inventors out here and they are patenting their ideas and revolutionising the building industry, for example, and that is their baby, but if there is a whole-of-community model, which

is where we do a lot of our work, then that is a completely different beast. We are saying that it is not impossible and there is potential there.

**CHAIR**—Very good. Thank you again.



[11.57 am]

**BABB, Miss Cara, Executive Officer, Indigenous Affairs, Chamber of Minerals and Energy of Western Australia Inc.**

**CHAIR**—I welcome Ms Cara Babb. Although the committee does not require you to speak under oath, you should understand that these hearings are formal proceedings of the Commonwealth parliament and that the giving of false and misleading evidence is a serious matter and may be regarded as a contempt of the parliament. Cara, you might make an opening statement and then Kelvin and I might ask you some questions.

**Miss Babb**—Thank you for the opportunity to appear on behalf of the chamber. The chamber is the peak body representing resources companies in Western Australia. We have around 150 members that are both production and exploration members in the minerals and energy sectors, as well as organisations that service the sector.

With many of our member companies operating in regional and remote locations and neighbouring Indigenous communities, there is significant interest and support for the development of Indigenous businesses to provide services within our industry. Companies are very attracted to the concept of contracting to or supporting Indigenous businesses in their operating locations, and many companies now have some type of Indigenous employment program in place, which can range significantly in scope and resources, from a fairly small traineeship program to a very comprehensive undertaking with ambitious employment targets which are supported by specialised recruitment and retention measures.

These types of programs can be complemented by engaging with external Indigenous businesses also, particularly where these are able to pick up and engage with people that may not be suited to full-time work on a resources operation for whatever reason, whether that be work readiness, health or cultural issues. For example, a model that is sometimes used by members is a labour hire model, where a pool of people can be trained to a sufficient standard and then a group is provided to meet the requirements of the company for a period of time, whether that is day by day, week by week or whatever. This allows flexibility for when a person works, allowing them to undertake cultural obligations, and can also provide a less intense introduction to the industry, which can be quite an intensive industry to go straight into, with shift work and quite long rosters.

Members view this as a particularly challenging area, given some of the barriers to Indigenous enterprise in remote parts of Western Australia where communities are struggling with a lack of physical and social infrastructure for education and employment outcomes, and also health. Despite its challenges, our members are generally optimistic about their existing and potential projects in the area. There is a strong view that, although it is challenging to begin with and has significant cost, in the long term it will deliver significant returns in terms of employing local people and taking pressure off housing which, as you would be aware, is quite an issue in some parts of the state, particularly the Pilbara.

Many initiatives that companies are undertaking to support local Indigenous businesses are in their early stages, so I am hesitant to comment on their effectiveness, but some impressive beginnings have been made which I would be happy to comment on further with your questions. The types of enterprises that are now being supported by members, such as BHP Billiton and Rio Tinto Iron Ore, are civil services and earthworks, waste management, rehabilitation and horticulture, cultural awareness training and heritage businesses, as well as the labour hire contracts that I mentioned.

BHP Billiton also announced last year a major contract with Ngarda Civil and Mining, one of the state's most successful Indigenous contractors, to manage and operate their Yarrie mine site. I understand that is the largest contract of its kind in Australian history. It is worth around \$300 million. From companies' perspectives, there are a couple of challenges that I will touch on before I take your questions. The first is around business support. One of the challenges for all but very large mining companies exists at a site level, which is typically where local Indigenous entrepreneurs who would like to start a small business are identified. There is often great enthusiasm from mine managers at a site level. However, given that they are not small business people themselves, they do not necessarily have the expertise required to act as an incubator for start-up entrepreneurs and companies.

Larger companies are trying to address this by employing specific business development people on site. They manage the contracts, assist with occupational health and safety requirements, which can be a significant barrier to contracting to large resource companies, arrange assistance from accountants, and assist with governance aspects and so on. Obviously, that is very resource intensive, so it is something that you generally find with larger companies who do employ these staff at a site level. Other companies tend to use more established Indigenous businesses, of which there are a few.

The second approach is the amendment of internal policies. Many of our member companies are international companies that traditionally use global procurement, large bulked-up contracts which offer ease of contract management obviously and cost efficiencies, so companies that are keen to engage with Indigenous enterprises have found it necessary to look at those internal processes to accommodate those goals—for example, amending tendering and contracting procurement policies to allow for smaller contracts; also contracting arrangements that would better facilitate Indigenous participation.

Some larger companies are also now building requirements into their policies that make it mandatory to have that Indigenous business element. They are just some of the ways that members are trying to assist to develop Indigenous business in their local area. I am happy to take your questions.

**CHAIR**—Thank you. Why are companies moving in this direction? Is this doing social good works? What is the incentive behind trying to develop an Indigenous employment program or a small business program with Indigenous engagement for a multinational mining company?

**Miss Babb**—Companies consider it part of their social licence to operate; being a good neighbour to the communities in which they are operating. It is also increasingly part of land use agreements between companies and communities. Communities want to see economic benefits flowing from resource activity in their region. Also, with some of the skills shortages that you

have probably heard about this morning, it makes sense to employ local people, where possible. As I mentioned, there are huge housing difficulties in places like the Pilbara.

**CHAIR**—On that last one, my gut instinct is that the trend over the last two decades in WA has been to have more fly-in fly-out employees. Does what you have just said mean that companies have had a change of heart in relation to this and that there is a desire to have more locally based employment?

**Miss Babb**—I think it is just a factor of how many people are required by the industry. There are projections that by 2015 we will need an additional 48,000 people in the industry. Obviously that is not able to be accommodated purely at a local level. A lot of that will be fly-in fly-out, and not just out of Perth. So the volume of people required is very significant. The advantage of employing a local person is that you do not have the cost of flying in and flying out a person.

**CHAIR**—Is there a basic kind of economic phenomenon that is going on, which is that the resources boom means that we need more people and the companies are now looking to Indigenous populations as well to supply the labour?

**Miss Babb**—Yes, that is right.

**CHAIR**—Fair enough. We met with Argyle—

**Miss Babb**—Rio Tinto.

**CHAIR**—and Rio Tinto in Kununurra, who talked extensively obviously about what they are doing there, which was really interesting. They must be a member of yours?

**Miss Babb**—Yes.

**CHAIR**—Is that typical or is that cutting edge in terms of what they are doing up there in the area of Indigenous economic engagement? To what extent are their practices being employed elsewhere?

**Miss Babb**—The Argyle example is best practice. They have been doing it for a lot longer than a lot of other companies. Argyle has a fairly small workforce compared to, say, some of the companies operating in the Pilbara who have picked up significantly. They have put a lot of resources into it in recent times. I would say that BHP and Rio operating in the Pilbara have put significant resources not only into Indigenous employment but also into developing businesses—their indirect employment and contractors.

In different areas of the state there are different advances that have been made. I would say that Argyle took the lead; the Pilbara is catching up. Other areas of the state probably need a bit more work. But the nature of the industry in those areas—like the goldfields in the south-west—is different. They tend to be smaller companies.

**CHAIR**—One of the things that was talked about by Argyle is that, by definition, mining is a finite resource, mines have a life, and they felt that what they wanted to do was try and create a

local economy which would exist beyond the mine. Do you think that is a philosophy which is embraced by other companies?

**Miss Babb**—Certainly more and more people are looking towards mine closure and how communities will be sustainable beyond life of mine. The benefit of building enterprise capacity and business capacity in communities is potentially greater than just employment, because it allows economies to continue beyond mining.

**CHAIR**—You were talking about OH&S, and it raises the question more generally about compliance issues if anyone is going to do business with a company like BHP or Rio. What work is being undertaken to try and improve the business literacy of Indigenous enterprises? I am sure there is work.

**Miss Babb**—My understanding is that that occurs within companies like BHP and Rio Tinto. Their business development people or support people that they have at site level are coaching businesses through those hurdles. BHP now, I understand, have a prequalification process for Indigenous businesses that will contract to them. Rio Tinto are also looking at a sort of business enterprise centre, I think, which would identify contracts, and that seems to be contract management and that kind of thing.

**CHAIR**—The prequalification program that BHP do is essentially like a training program for Indigenous businesses to get their practices up to scratch such that they can do business with BHP. Is that the idea?

**Miss Babb**—My understanding is that it is something like that.

**Mr KELVIN THOMSON**—Just on that prequalification program, in relation to having Indigenous enterprises succeed in the mining sector how important to you think that kind of idea is—BHP's Indigenous contracting guidelines, that sort of approach?

**Miss Babb**—The reality is that there need to be relationships with enterprises. It is not just something that—

**Mr KELVIN THOMSON**—It is not a question of just setting up guidelines and saying, 'You have to meet them.'

**Miss Babb**—That is right. They work quite closely with all of their Indigenous contractors to make sure that does not—

**Mr KELVIN THOMSON**—Your chamber runs cultural awareness courses for your members?

**Miss Babb**—That is correct.

**Mr KELVIN THOMSON**—Do most members participate?

**Miss Babb**—The reason we set that up was for our own staff initially. We have a small staff of about 20, and we have sufficient turnover within the chamber to mean that we have seven or

eight people from our staff that do that, then we make the remaining places—there are about 25 places available—available to our member companies. A lot of member companies run their own cultural awareness training because it is important to have the local component, but we offer it to any member companies. Some of them do not have it, so they want to see what it is about. Some of them want to judge their own training programs against ours, so it performs a variety of functions.

**Mr KELVIN THOMSON**—We mentioned earlier this morning that there has been a substantial mining and resource boom in Western Australia. Does this enable Indigenous businesses to take advantage of that mining infrastructure development and get themselves up and going? If so, how do you make that happen? What are the steps that you need to make that happen?

**Miss Babb**—It provides a great opportunity and, as I mentioned, member companies are more than supportive. There have been some great examples of Indigenous companies that are taking advantage of it very successfully. I mentioned Ngarda Civil and Mining. Carey Mining as well is quite significant and there are a few other smaller contracting organisations. The companies themselves see the need to facilitate this. More and more you are seeing companies building in requirements for contracting with Indigenous businesses, so they are trying to push it that way as well as through the support programs.

**Mr KELVIN THOMSON**—The final one from me might be outside your area but you did mention it: poor educational outcomes in regional areas. What do you think we can do to try to improve things on that front?

**Miss Babb**—Again it is an area that has been identified by companies. They see that they will be around in their operating locations for 30 or 40 years and there is a need to invest in future generations, so they are providing support to local schools and that kind of thing.

**CHAIR**—Did you ask about tourism?

**Mr KELVIN THOMSON**—I asked about Indigenous business generally and the resources boom. I did not focus on the tourism side.

**CHAIR**—One idea which was raised in Brisbane was that, in terms of Indigenous enterprises, there is a natural link between mining and tourism. Firstly, some people are interested in having a look at a mine because they are quite interesting—having done the Pilbara myself and been very impressed by the very big tonne trucks. But the other thing is that mines are in remote areas, often spectacular areas, and that there is the infrastructure which exists around a mine—airstrips, cars and so forth—to show people the surrounding countryside. Are you aware of that link being seen by your members?

**Miss Babb**—Yes, I think there are some efforts in that regard. Cultural awareness training is often a link with tourism. I know that our cultural awareness training provider is also a tourism operator in Esperance and I think the same thing happens in the Pilbara. The proximity of some of the sites to national parks and so on is also a factor. I am pretty sure that Rio Tinto have provided some support for people around the Karijini National Park as well.

**CHAIR**—Now you say that, I think one of the businesses that Argyle were talking about was also a tourism related one.

**Miss Babb**—Yes.

**CHAIR**—The other area that has been raised in terms of potential Indigenous business surrounding a mine is land rehabilitation when the mine ceases in that particular area. Again, is that an opportunity which has been identified by your members?

**Miss Babb**—Yes. I believe that a number of companies are working with our state government departments with a view to setting up businesses around natural resource management as well.

**CHAIR**—In trying to assist Indigenous enterprises, you or your members must interact with a lot of the government programs which are available at Commonwealth and state levels and even local government level. Do you have any comments about that, such as the level of coordination of those programs and ease of access to them?

**Miss Babb**—In speaking to members, they all have good relationships with government. It tends to be on a project-by-project basis and some of those are just getting up at the moment. I mentioned the natural resource management one and that was in fairly early stages. There is a recognition that there is a strong willingness from government, particularly at the high levels, to engage in partnerships, but when it comes down to the practicalities, companies sometimes find it easier to go it alone rather than try and find their way through—

**Mr KELVIN THOMSON**—All the reporting requirements and all the rest of it.

**Miss Babb**—Yes.

**CHAIR**—Why? Is that to do with the bureaucratic maze?

**Miss Babb**—Yes, I understand that is the case.

**CHAIR**—The final question we have been asked to ask you is: can you tell us a little bit more about the Boddington expansion program?

**Miss Babb**—In terms of its Indigenous employment?

**CHAIR**—Yes.

**Miss Babb**—I am not aware of where it is up to.

**CHAIR**—That is all right. Neither are we.

**Miss Babb**—The only thing I would venture to say is that there were agreements in the early stages with regard to Indigenous employment. It was a significant number of Indigenous employees, but I could not comment on how that is going.

**CHAIR**—All right. Thank you very much, Cara, for your time. We really appreciate it. We may follow up through the secretary with you on some other issues, but we appreciate your time today.

**Miss Babb**—Thank you.

**CHAIR**—That brings to an end our witnesses today. Thank you all for attending.

Resolved (on motion by **Mr Thomson**):

That this committee authorises publication, including publication on the parliamentary database, of the transcript of the evidence given before it at public hearing this day.

**Subcommittee adjourned at 12.18 pm**