

Submission by the Department of Primary Industries and Energy to the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs Inquiry into Indigenous Businesses

This submission by the Department of Primary Industries and Energy (DPIE) to the Inquiry into Indigenous Businesses is intended to provide an overview of the programs administered by DPIE that do or potentially could assist indigenous businesses and joint ventures.

Over recent years DPIE has administered certain programs targeted specifically at indigenous people, notably the Aboriginal Rural Resources Initiative program, which was administered through the Bureau of Rural Sciences and the Aboriginal and Torres Strait Islander Fisheries Strategy. More details on these programs are provided below.

In 1997 DPIE established an Aboriginal and Torres Strait Islander Client Stakeholder Evaluation Model Task Force to look at the scope for development of a model to evaluate and analyse the department's relationships with clients and other key stakeholders. The Aboriginal and Torres Strait Islander group was selected as the first client group to develop and trial the client/stakeholder evaluation model. Further details of the Task Force are outlined below.

In addition, AQIS employs 22 indigenous officers in the Torres Strait, Bamaga and Cairns who are often the first point of contact for people who have enquiries about establishing small businesses on their islands. Further details of AQIS' employment arrangements in North Queensland are set out below.

DPIE plays a key role in facilitating the increased productivity and competitiveness of Australia's resource based industries (agriculture, fisheries, forestry, mining and energy). As part of that role, DPIE administers a number of 'mainstream' programs which include business and rural development and support elements. These programs are available to all small to medium sized enterprises (SMEs), including those enterprises controlled by indigenous people and enterprises in which indigenous people are in joint ventures with non indigenous people. In general, these programs have largely been targeted at the rural production sector and associated rural communities. Elements of the programs have been relevant to indigenous groups. There has, however, been limited participation by indigenous people in these programs and more details are provided below.

Aboriginal Rural Resources Initiative (ARRI) Program

Between 1992 and 1995-96, the Bureau of Rural Sciences (BRS) administered the ARRI program. ARRI was a national strategy which received funding from the Royal Commission into Aboriginal Deaths in Custody and was aimed at enhancing the opportunities for Aboriginal and Torres Strait Islander employment and income generation through efficient and sustainable use of natural resources (see Attachment 1).

Seventy three indigenous land management projects were initiated under four elements :

- . Bush Tucker
- . Wild Animal Resources
- . Rural Development; and
- . Agency Employment.

In the first three elements, assistance was primarily given to indigenous people for the development of business enterprises. The projects are listed at Attachment 1.

The program adopted an innovative and fresh approach to examining opportunities for indigenous rural development, largely through assistance in the establishment of SMEs. In particular, considerable involvement in industries where indigenous people had identified opportunities was facilitated.

In 1995, an evaluation of the program was undertaken to assess program performance, options for continuation or change, and management and administration. The following findings of the evaluation are highlighted in view of their relevance to the terms of reference of the Inquiry:

- . the investment through the ARRI program significantly improved the effectiveness of industry development for the indigenous rural people involved;
- . ARRI management carried out its responsibilities in providing scientific and technical advice in a highly professional, appropriate and cost-effective manner;
- . BRS made a very significant contribution to the success of the ARRI program through professional contributions other than the provision of scientific advice;
- . ARRI was innovative in diversifying the nature of the enterprises in which rural indigenous people engaged in, and by creating involvement in new industries and extending opportunities for indigenous rural people beyond wage and salaried employment.

Thus while the ARRI program is not an existing Commonwealth program, it is considered the evaluation of the program could contribute relevant and significant information to the Inquiry, specifically in relation to:

- . the success of existing Commonwealth programs which help Aboriginal and Torres Strait Islander people (including those joint ventures with non indigenous people) to acquire, control and develop sustainable commercial initiatives (ToR 1);
- . possible future policy directions and administrative arrangements at the Commonwealth level to encourage indigenous commercial activities (ToR 2);
- . any barriers to the establishment, acquisition or development of indigenous controlled businesses or businesses in which indigenous people are joint venture partners (ToR 3).

A copy of the evaluation is provided at Attachment 2.

In recognition of the valuable data collected on all aspects of indigenous rural development while administering the program, ATSIC has commissioned an evaluation study of a limited number of selected ARRI projects. The evaluation is currently being implemented and is due for completion at the end of June 1998. Six case studies will be undertaken to:

- . document the outcomes and experiences of indigenous communities and/or individuals in enterprise development to provide Aboriginal and Torres Strait Islanders with baseline information on what other projects have achieved; and

- . identify a rural industry development ‘best practice’ model based on existing activities so that this information can be used to assist ATSIC with future funding decisions for indigenous rural developments.

The six projects selected for evaluation were funded under the bush tucker element. In addition, a comprehensive evaluation of another eight projects which received substantial funding under the ARRI program will be undertaken. Most of these projects were funded under the rural development element. However, two projects funded under the wild animal resources and bush tucker elements will also be evaluated.

Aboriginal and Torres Strait Islander Fisheries Strategy

In the 1995 Commonwealth Coastal Policy the Government committed itself to the development of an Aboriginal and Torres Strait Islander Fisheries Strategy (ATSIFS). The Terms of Reference for ATSIFS seek to recognise as a priority issue the improvement of indigenous peoples involvement in the management of fisheries resources. The Strategy provides funding to promote consultation with Aboriginal and Torres Strait Islander (ATSI) people.

With the adoption of the Commonwealth Coastal Policy, the Commonwealth Government has committed itself to support the development of an Aboriginal and Torres Strait Islander Fisheries Strategy through the Ministerial Council on Forestry, Fisheries and Aquaculture.

In July 1995 the then Department of Environment, Sports and Territories (DEST) advised that \$400,000 had been allocated over two years for the development of the Strategy.

A working group was subsequently established comprising representatives from the Aboriginal and Torres Strait Islander Coastal Reference Group, the Australian Seafood Industry Council and government representatives from the Commonwealth, each State and the Northern Territory to develop the Terms of Reference for the strategy.

Following the Standing Committee for Fisheries and Aquaculture’s endorsement of the Terms of Reference for the ATSIFS in March 1996, DPIE invited States and Territories to develop and submit programs of work, to be funded from the \$400,000 provided by Environment Australia.

DPIE’s Involvement

DPIE’s role and the Commonwealth’s involvement to date has been one of coordination and leadership. The development of ATSIFS has been facilitated through the funding of work programs aimed at improving indigenous peoples representation in coastal resource management. DPIE, in conjunction with DEST, has been involved in the evaluation of the work programs submitted by each State and Territory.

A discussion paper on ATSIFS was also distributed by DPIE through the Aboriginal and Torres Strait Islander Commission regional councils and peak indigenous organisations for comment and feedback.

Following consideration of the work programs by an evaluation committee the submissions were circulated and considered by the Aboriginal and Torres Strait Islander Coastal Reference Group (CRG) established by DEST. The Coastal Reference Group is a twelve member advisory body with the role of providing advice and input to the Commonwealth on indigenous participation in coastal management.

Eight proposals were received from the States/NT and key indigenous statutory bodies. In July 1997, the Ministerial Council for Forestry Fisheries and Aquaculture subsequently endorsed funding under the Aboriginal and Torres Strait Islander Fishing Strategy for six projects to a total of \$315,259, with a further \$84,741 reserved for the South Australian and Victorian proposals (see Attachment 3).

The Future

Individual work programs were developed in consultation with each State and Territory's indigenous groups before being submitted for funding under ATSIFS. These programs included further consultation with indigenous groups to determine their specific interests and how best to accommodate these in the future.

DPIE will evaluate and monitor the implementation of the successful work plans and ensure that States and Territories develop strategies that equate into greater involvement for indigenous Australians.

ATSIFS product will be a Strategy through which ATSI people can play a greater role in the development of Australian coastal fisheries. Work programs will examine ATSI people's involvement in traditional and commercial fisheries and create mechanisms and strategies which will take their social and cultural interests into account in the future.

Aboriginal and Torres Strait Islander Client/Stakeholder Evaluation Model Task Force

The DPIE Aboriginal and Torres Strait Islander Client Stakeholder Evaluation Model Task Force was established early in 1997 to prepare a scoping paper for the Diversity Management Forum for development of a model to evaluate and analyse the department's relationships with clients and other key contacts in line with Key Result Area No. 7 of DPIE's Corporate Plan (ie First class service delivered to government, business and the general community). The Aboriginal and Torres Strait Islander group was selected as the first client group to develop and trial the client/stakeholder evaluation model. The Secretary indicated that in developing the scoping paper consideration should be given to:

- . circumstances that bring DPIE together with ATSI people directly as clients;
- . circumstances that bring DPIE together with ATSI people incidentally, eg landowners, etc; and
- . identifying specific projects in parts of the country where ATSI people form a significant proportion of the population and therefore could provide a locally-based workforce.

It is anticipated that the model developed for the ATSI client/stakeholder could have potential application for the management of other external relationships across the department.

The task force developed a questionnaire to administer to those areas of the department with links to Aboriginal and Torres Strait Islander clients. The questionnaire was piloted in the following programs/projects in late 1997:

- . National Aboriginal Landcare Facilitator program in Land and Water Resources Division;
- . Groundwater and Aboriginal Lands project in the Australian Geological Survey Organisation; and
- . Rural Communities Access Program in Rural Division.

The pilot survey was useful in providing both preliminary findings about the department's dealings with Aboriginal and Torres Strait Islander clients in selected program areas and in evaluating the questionnaire

itself. The questionnaire has since been revised to make it more targeted and it has been recognised that a more general questionnaire will need to be developed to be administered throughout the department to determine the full extent of its dealings with Aboriginal and Torres Strait Islanders.

The next stage of the project is to conduct focus groups, using an external consultant as a facilitator, with Aboriginal and Torres Strait Islander clients of the selected programs to test the perceptions of the DPIE program managers about the client service against those of the clients themselves. This stage of the project will be undertaken over the next two months.

AQIS Employment Arrangements in North Queensland

AQIS employs 22 indigenous officers in the Torres Strait, Bamaga and Cairns and are sponsoring a cadet at the University of Queensland - Gatton Campus. While AQIS's programs do not directly support indigenous small business, the employment arrangements that exist are flexible and allow the officer's to participate in traditional activities such as the harvesting of beche de mer and crayfish which have become commercial ventures for a number of communities in the Torres Strait.

AQIS also supports these officers by providing housing at Thursday Island and Bamaga and assistance with airfares for annual leave and to attend schools in major centres outside the Torres Strait. AQIS acknowledges that the English language is not the first language of Torres Strait Islanders and provides an allowance in recognition that the use of traditional languages is an essential communication skill.

AQIS is the only government agency that has permanent staff based on the outer islands of the Torres Strait. As such these officers are usually the first point of contact for people who have enquiries about establishing small businesses on their island.

AQIS employment arrangements in the Torres Strait are highly regarded by the local community and AQIS is well known and respected within the communities for the opportunities it provides and the role it performs. A supervising officer employed by AQIS is the Mayor of Thursday Island and AQIS informally supports his role and his involvement in promoting and pursuing a wide range of business and other activities for his community. A former employee of AQIS resigned recently to become Archbishop of the Torres Strait.

Commonwealth Rural Sector Programs

Agriculture - Advancing Australia Initiative

The Agriculture - Advancing Australia Initiative (AAA), announced in September 1997, is a key element in the Commonwealth Government's overall strategy to build the competitiveness, sustainability and profitability of the rural sector and maximise the sector's contribution to the economic, social and environmental well-being of the nation.

The key objectives of the AAA initiative are:

- . to help individual farm businesses profit from change, including through assistance to farmers to build on their business management skills ;
- . to ensure the farm sector has access to an adequate welfare safety net;
- . to provide positive incentives for on-going farm adjustment ; and
- . to encourage social and economic development in rural areas, including funding to assist communities to develop strategic regional plans.

The AAA package does not specifically target the special needs of indigenous people in rural areas. A number of the measures, however, are relevant to indigenous enterprises, particularly in the area of rural economic development. Measures likely to be relevant include FarmBis and the Rural Communities Program. The arrangements for the administration and implementation of these programs are still being developed.

FarmBis is a new program which has the aim of improving the business management skills of farmers and promoting positive attitudes towards training. The program is still being developed and may include support for activities such as farm management planning, business and financial planning/advice, benchmarking, quality assurance, risk management and marketing.

FarmBis is due to commence on 1 July 1998 and will be available to all men and women who are engaged in the management and operation of farms, including employees and farm contractors whose operational support is integral to improving business management on the farm. In addition, grants will be available to industry, community and professional groups and organisations to participate in training initiatives and to develop pilot initiatives.

The Rural Communities Program (RCP) brings together the key elements of the Rural Partnership Program and the Rural Communities Access Program (including the Rural Access Program, Rural Counselling Program, Telecentres, and the Australian Country Information Service). There has been some involvement by indigenous groups in these programs. More details are provided below.

The RCP is designed to support rural communities to identify their needs and to address them. Communities can seek funding support for a range of activities including:

- **Community Planning** - All applicants will be encouraged to undertake a community planning process within their communities prior to submitting an application for further support under the program.
- **Financial Counselling** - Grants are available to provide financial counselling services for farmers, small business operators and townspeople who are experiencing financial difficulty.
- **Information Provision** - Grants can be accessed to provide a range of Commonwealth Government information services.
- **Information Services Technology** - Community groups can apply for a grant to assist in delivering a range of effective up-to-date information services technology.
- **Community Development** - Grants will be provided for community based projects which may include men's and women's health projects, vocational training courses, newsletter production, information seminars etc.

The Rural Communities Program particularly focuses on small rural communities. Applicants should be incorporated community Groups.

Further details of the AAA initiative are provided at Attachment 4. Other measures which may be relevant to indigenous businesses include Creditcare, the Understanding Rural Australia project and the Consultative Rural Finance Forum.

Rural Communities Access Program (RCAP)

The RCAP is a suite of programs which were aimed at assisting people living in rural and remote areas to access services and information. As noted above, the key functions of the RCAP programs are being incorporated into the new Rural Communities Program under the AAA initiative. There has been participation by indigenous groups in some of the RCAP programs, including the Rural Access Program and the Telecentres program.

The Rural Access Program (RAP) was established in 1991 to assist rural and remote communities to develop their social infrastructure so that the community remained robust, innovative and self sufficient and provided the social base for rural industries to be made more competitive and sustainable. The program gave special consideration to projects that targeted women, aboriginal and Torres Strait Islander (ATSI) people, people from non English speaking backgrounds and people with disabilities.

The RAP will cease on 30 June 1998 and its functions will be integrated into the new Rural Communities Program announced under the AAA initiative.

The RAP has provided funding in the past two years for nineteen projects in aboriginal communities to a total of \$290,078. The funding was spent on the provision of:

- . Business and training skills acquisition (11 projects) \$180,940
- . Health related issues (5 projects) \$84,865 and
- . Cultural programs (3 projects) \$24,273.

Examples of indigenous businesses which have been funded under the program are:

- . the establishment the Balladoran Aboriginal Market Garden and Training facility in Gilgandra;
- . an Aboriginal Community Sustainable Market Garden in Tasmania;
- . a residential Textile Design Course aimed at enhancing a business skills and operations of the Wandalgu Aboriginal Corporation in Western Australia;
- . a training course in the production and sale of products produced by the Wandalgu Arts Aboriginal Corporation in Western Australia;
- . sewing courses aimed at setting up a small business for the sale of products produced by the Mugarinya Community in Western Australia;
- . a pilot horticulture project for the production of melons by the Wilcannia Local Aboriginal Land Council in New South Wales;
- . establishment of the Kupartiya Community market garden in Western Australia to produce fresh local product for sale in Broome and surrounding communities and;
- . the establishment of a community laundry service which trains aboriginal people to operate and run the laundry service in Onslow, Western Australia.

Over forty Telecentres have been supported in rural and remote areas and are available for use by all community groups and individuals. Telecentres are used by indigenous groups, notably in Queensland and Western Australia.

Rural Partnership Program (RPP)

The RPP is aimed at giving rural communities the opportunity to develop and implement strategies for addressing economic development, structural adjustment, natural resource management and social issues in their region in an integrated way. The RPP allows communities access to a range of Commonwealth, State and Territory government programs in a single submission. Twelve rural regions are being

supported under the RPP. Activities funded include: support for farm business planning, on-farm productivity improvements, assistance to leave farming, syndication costs, natural resource management etc.

Submission development under the RPP is by a committee which is representative of the full range of the community's interests, including those of women, ATSI people, people from non English speaking backgrounds and people with disabilities. Representatives of indigenous people have had some involvement in submission development, but there has not been significant participation by indigenous people in implementation of the RPP.

The RPP is not accepting further projects and is being replaced by the Rural Strategic Planning Initiative (RPSI) which will focus on facilitation of rural area industry development. The RPSI will provide support for consultation, research, promotion, coordination and professional support for the facilitation of on-going business planning capacity. The outcomes the Initiative is seeking include: productive and professional rural industries, market orientation and competitiveness, sustainable natural resources management, local self responsibility and human resource development.

Supermarket to Asia Strategy

DPIE is currently undertaking a number of key projects to support the Government's Supermarket to Asia Strategy and to assist Australian food producers take advantage of the opportunities in Asian food markets. The projects are:

- . a case study book, titled *Competitive Performance*, and a seminar series. This project is aimed at developing and disseminating thirteen case studies of agricultural enterprises, networks and industries involved in best practice approaches. It also includes a seminar series being held in rural areas around Australia. Seminars have already been held in Victoria Western Australia and seminars have been scheduled for New South Wales;
- . a strategic alliances project aimed at assisting Australian food cooperatives build stronger alliances (such as joint ventures) with businesses in Asia;
- . a supply chain management project aimed at assisting food producers to better meet the needs of their Japanese customers through better linkages from the producer through to the retailer and final consumer.

The Delicatessen Program is aimed at assisting food producers to provide new, high value niche products to meet Asian customers demands. The program, which is currently being implemented, involves three key stages:

- . research to determine what, how and by whom, information on Asian market food product opportunities is communicated to market producers and the relevance of this information to producers;
- . a number of "hands-on" projects, are being developed to assist selected groups of producers to develop and market new, high value, niche products tailored to selected Asian markets; and
- . a dissemination strategy, targeted at primary producers, will be developed.

Similar to the programs under the AAA initiative, the Supermarket to Asia projects do not specifically target the special needs of indigenous businesses and to date there has been no involvement by indigenous businesses in any of the projects. Funding under the projects has been made available to all

food producers which met the criteria set for each project. In addition, the outcomes of the projects, such as the national seminar series and the case study book and the projects under the Delicatessen Program, may be relevant to certain indigenous enterprises interested in becoming involved in exporting, including through joint ventures.

Natural Resource Management Programs

DPIE manages a number of natural resource management programs funded through the Natural Heritage Trust. The principal programs are the National Landcare Program, the National Rivercare Program and Murray-Darling 2001. A common primary focus of these programs is to encourage the development and implementation of sustainable resource management practices with long term public benefit. The programs' guidelines prevent them from supporting activities which would directly compete with commercial activities, or which would result in a significant private benefit. Hence, the Natural Heritage Trust programs managed by DPIE are not specifically targeted at supporting and/or encouraging indigenous enterprises and joint ventures.

Department of Primary Industries and Energy
March 1998