

Abbreviations

ABC	Australian Broadcasting Corporation
ACCAN	Australian Communications Consumer Action Network
ACCC	Australian Competition and Consumer Commission
ACSI	Australian Council of Superannuation Investors
AFCA	Australian Financial Complaints Authority
AMSANT	Aboriginal Medical Services Alliance Northern Territory
CEO	Chief Executive Officer
FNMA	First Nations Media Australia
HKTC	HK Training and Consulting
ICAN	Indigenous Consumer Assistance Network
NAAJA	North Australian Aboriginal Justice Agency
NSW ALC	New South Wales Aboriginal Land Council
RAP	Reconciliation Action Plan
SACCs	Small Amount Credit Contracts
WRB	Workplace RAP Barometer

Foreword

In recent years there have been some very stark examples of not just poor practices but, in fact, corporate malfeasance towards Aboriginal and Torres Strait Islander consumers. These include the findings of the Banking Royal Commission in 2019 especially on the sale of funeral insurance products, the \$50 million fine imposed on Telstra last year for unconscionable conduct in some of its stores and Woolworths' failure to adequately consult Aboriginal and Torres Strait Islander Peoples on their proposed Dan Murphy's Store in Darwin.

It was disappointing to hear evidence that despite these high profile cases, bad corporate behaviour towards Aboriginal and Torres Strait Islander consumers continues to exist in certain market sectors including financial services and telecommunications.

At the same time there will be examples of good corporate behaviour towards Aboriginal and Torres Strait Islander consumers. Reconciliation Australia is playing an important role seeking to improve corporate behaviour through Reconciliation Action Plans; and in egregious cases, downgrading or removing RAPs as a public admonishment of bad corporate behaviour.

This inquiry was referred by the Minister for Indigenous Australians in October 2021. Unfortunately given the limited timeframe to gather evidence and consult with stakeholders and COVID related travel restrictions, it was not possible for the Committee to finish gathering evidence of corporate malfeasance against Aboriginal and Torres Strait Islander consumers nor to put that evidence to the impugned businesses for their response.

Given the short time remaining in this Parliament the Committee decided, therefore, to present this interim report, in the form of an issues paper for consideration by the new committee, rather than a final report.

The evidence gathered so far highlighted a number of core issues that warrant further detailed scrutiny including:

- The future evolution of the Reconciliation Action Plan (RAP) program and whether it is effective in promoting cultural awareness and appropriate behaviour among Australian corporations. A RAP document cannot just be a 'box-ticking' exercise. It has to become, and remain, an integral part of the practices of the business at all levels.
- The impact of ongoing poor behaviour in the telco sector and of telecommunications debts accumulated by many in Aboriginal and Torres Strait Islander communities, notwithstanding the important Telstra ruling and financial penalty.
- The continued behaviour by banks and other financial services businesses which take unfair advantage of the poor financial literacy of some Aboriginal and Torres Strait Islander consumers.
- The predatory practices of certain payday-style lenders, car finance operations, and funeral insurance businesses that operate outside the reach of regulators.

The Committee would like to see this inquiry re-referred at the beginning of the next Parliament. The newly formed committee will then have ample time to explore these issues in greater depth and make appropriate recommendations.

I want to acknowledge that several businesses in the financial services and telecommunications sectors did make submissions to this inquiry and any future committee will need to hear from them after finishing its evidence gathering process.

Also as this report was being finalised the Committee became aware that funeral insurer Aboriginal Community Benefit Fund, which was cited by the Royal Commission for its bad conduct, has now gone into liquidation potentially leaving thousands of people significantly out of pocket. This will need to be further considered in the next Parliament.

The Committee hopes that this issues paper will serve as a useful starting point for the new committee to continue this important work.

I wish to acknowledge my committee colleagues, in particular the good counsel of the Deputy Chair the Hon Warren Snowden MP who after a long and distinguished parliamentary career advancing the position of Aboriginal and Torres Strait Islander people retires in a few weeks' time. I also wish to acknowledge the work of the secretariat, in particular Kilian Perrem and Jenny Adams, who have supported this committee through the life of this Parliament and the assistance of Sarah Greenbaum from my office.

Julian Leeser MP

Chair

Members

Chair

Mr Julian Leeser MP

Deputy Chair

Hon Warren Snowdon MP

Members

Ms Sharon Claydon MP

Hon Warren Entsch MP

Ms Celia Hammond MP

Ms Anne Stanley MP

Mr Phillip Thompson OAM MP

Mr Terry Young MP

Committee Secretariat

Jenny Adams, Committee Secretary

Kilian Perrem, Inquiry Secretary

Stephen Sherlock, Inquiry Secretary

Louise Milligan, Senior Researcher

Ben Russell, Researcher

Sarah Brassler, Office Manager

Terms of Reference

The House Standing Committee on Indigenous Affairs should consider, report and where appropriate make recommendations on:

- 1 The way the corporate sector supports meaningful engagement with Indigenous consumers
- 2 How to strengthen corporate sector cultural understanding, and how this is demonstrated through their engagement with Indigenous consumers
- 3 The impact of Reconciliation Action Plans (RAPs) in developing targeted approaches on engaging with Aboriginal and Torres Strait Islander peoples through such action; and
- 4 Other matters as required.