

## **Reconciliation Action Plans— Creating Shared Value**\*

*Leah Armstrong*

Kapu batainga—greetings to you all in the language of my ancestors from the island of Boigu in the Torres Strait. As is the custom, I wish to pay my respects to the original owners of this land, the Ngunnawal people, and to elders past and present. In doing so, I acknowledge their continuing connection and contribution to this land. The acknowledgement of the traditional owners of this land is an essential part of the changes that we have seen in contemporary Australia as part of our national efforts for reconciliation. And in the spirit of reconciliation I acknowledge the non-Indigenous guests here today.

The context of my speech draws on my experience as a pragmatic practitioner with more than 25 years involvement in the reconciliation movement. At a local level, I was involved from the early 90s in Newcastle with Yarnteen Aboriginal and Torres Strait Islanders Corporation, which was engaged by the Council for Aboriginal Reconciliation to conduct community engagement and reconciliation education programs. Yarnteen's vision was to become economically independent and full free agents in our own development. A key foundation of our success was building respectful relationships between non-Indigenous Australians and Aboriginal and Torres Strait Islander people. Then, at a national level, as the CEO of Reconciliation Australia from 2010 to 2014, I was closely involved in the development, promotion and evaluation of reconciliation action plans (RAPs) as a framework for change. The program grew significantly during this period from 150 to over 500 RAPs.

Today reconciliation is being actively talked about, but reconciliation can mean different things to different people. It can be a very frustrating process and many have walked away from it in search of simple solutions or a 'silver bullet' that promises an end to inequality and suffering.

At its core reconciliation is about building respectful relationships between Aboriginal and Torres Strait Islander people and other Australians to enable us to work together to close the gaps, and to achieve a shared sense of fairness and justice. Reconciliation has no meaning if it is not aimed at achieving equality in life expectancy, education, employment and all the important, measurable areas of disadvantage. It has no meaning while some of us continue to experience racism and do not receive the same

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treatment before the law as the majority of Australians. We cannot think of Australia as reconciled while there continues to be such profound disparity between us.

Fifteen years after the Council for Aboriginal Reconciliation presented the *Australian Declaration Towards Reconciliation*, Reconciliation Australia has released their inaugural *The State of Reconciliation in Australia* report.<sup>1</sup> The research examined reconciliation in Australia and internationally and identified five critical dimensions that together represent a comprehensive picture of reconciliation:

**Race relations**

All Australians understand and value Aboriginal and Torres Strait Islander and non-Indigenous cultures, rights and experiences, which results in stronger relationships based on trust and respect and that are free of racism.

**Equality and equity**

Aboriginal and Torres Strait Islander peoples participate equally in a range of life opportunities and the unique rights of Aboriginal and Torres Strait Islander peoples are recognised and upheld.

**Institutional integrity**

The active support of reconciliation by the nation's political, business and community structures.

**Unity**

An Australian society that values and recognises Aboriginal and Torres Strait Islander cultures and heritage as a proud part of a shared national identity.

**Historical acceptance**

All Australians understand and accept the wrongs of the past and the impact of these wrongs. Australia makes amends for the wrongs of the past and ensures these wrongs are never repeated.<sup>2</sup>

The report states clearly that reconciliation is no longer seen as a single issue or agenda. The concept of reconciliation has become a holistic one that encompasses rights as well as so-called symbolic and practical approaches.

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<sup>1</sup> Reconciliation Australia, *The State of Reconciliation in Australia*, 2016, <https://www.reconciliation.org.au/the-state-of-reconciliation-in-australia-report/>.

<sup>2</sup> *ibid.*, p.19.

Australia has developed a strong foundation for reconciliation, but the report acknowledges the mixed results across the dimensions and that we have a long way to go. It highlights that 86 per cent of Australians believe the relationship between Aboriginal and Torres Strait Islander people and other Australians is important, but Aboriginal and Torres Strait Islander people still experience high levels of racial prejudice and discrimination.<sup>3</sup>

Reconciliation has raised broader questions about our national identity and the place of Aboriginal and Torres Strait Islander histories, cultures and rights in our nation's story. Most Australians—72 per cent—believe Aboriginal and Torres Strait Islander cultures are important to Australia's identity but only 30 per cent are knowledgeable about our histories and cultures.<sup>4</sup> Ninety-four per cent of Australians agree that the wrongs towards Aboriginal and Torres Strait Islander people occurred as a result of European settlement. However, Australians are divided on the nature and extent of the effect of past wrongs and have varying views on forgiveness and attitudes to 'moving on'.<sup>5</sup> On the national political scale, reconciliation appears to be at an all-time high with multi-partisan support. However, progress in closing the gap on Indigenous disadvantage is slow and in some measures is going backwards.

The suffering is far from over and the gaps remain, but 25 years after the modern movement began we are seeing real progress and record potential to make more. The positive progress in our nation's reconciliation journey is the goodwill coupled with the practical measures being taken in workplaces and businesses across Australia.

Whilst the efforts of various governments on the policy front are mixed, broader support for reconciliation in the business and community sectors has grown significantly over the past 10 years. Today there are over 650 business or community organisations with RAPs and a further 600 schools and early childhood learning centres are involved in RAPs. These businesses and schools are creating environments that foster a higher level of knowledge and pride in Aboriginal and Torres Strait Islander histories, cultures and contributions to increase respect, reduce prejudice and strengthen relationships between the wider Australian community and Aboriginal and Torres Strait Islander peoples.

### **Reconciliation action plans—a strategy for creating shared value**

Reconciliation action plans were set up to mark the 40th anniversary of the 1967 referendum and began with eight organisations. Yarnteem was the only Indigenous

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<sup>3</sup> *ibid.*, p. 21.

<sup>4</sup> *ibid.*, p. 9.

<sup>5</sup> *ibid.*, p. 10.

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organisation among the trailblazer organisations, which included the ANZ bank, BHP Billiton and Oxfam. Now over 1,000 organisations are involved in the RAP program, which covers 20 per cent of the national workforce and is growing by the day.

The RAP program is one of the largest of its kind in Australia and possibly the world. Reconciliation Australia gathers data from the RAP community annually and there is strong evidence that RAPs are making a significant contribution to closing the gaps in education, employment and health. The 2015 data indicate that RAP organisations:

- employ over 35,000 Aboriginal and Torres Strait Islander people;
- provided cultural awareness training to 262,000 employees;
- provided \$77.7 million for educational scholarships;
- provided \$100 million in pro bono support to Aboriginal and Torres Strait Islander communities;
- formed over 3,900 partnerships with Aboriginal and Torres Strait Islander organisations; and
- bought goods and services worth \$32 million from Aboriginal and Torres Strait Islander Supply Nation certified businesses.<sup>6</sup>

This increase in corporate Australia investing in First Australians has businesses more confidently citing both social and business benefits to give context for investments relating to closing the gap. Boardroom discussion on these matters has shifted from philanthropic perspectives that emerge when times are good, to longer term sustainable activities which are outcome focused and benefit companies in several ways.

As Aboriginal and Torres Strait Islander organisations accumulate greater assets, more students graduate from university, the demand for local labour forces in remote regions increases, and government policies strengthen procurement with Aboriginal and Torres Strait Islander businesses and increase employment targets, the Australian corporate sector is looking to strategies that deliver ‘shared value’.

The concept of ‘creating shared value’, as defined by Professor Michael Porter and Mark Kramer<sup>7</sup>, involves creating economic value in a way that also creates value for society by addressing its needs and challenges. Shared value is not social responsibility or philanthropy but a new way to achieve economic success. It is not on the margin of what companies do but at the centre. It defines the policies and practices

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<sup>6</sup> Reconciliation Australia, *The RAP Impact Measurement Report 2015*, February 2016, <https://www.reconciliation.org.au/wp-content/uploads/2016/02/RAP-Impact-Measurement-Report-2015.pdf>.

<sup>7</sup> Michael Porter and Mark Kramer, ‘Creating Shared Value’, *Harvard Business Review*, January–February 2011, vol. 89, nos 1–2, pp. 62–77.

that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates.

Porter and Kramer identified three ways in which shared value can be created:

- Reconceiving products and markets—defining markets in terms of unmet needs or social ills and developing profitable products or services that remedy these conditions.
- Redefining productivity in the value chain—increasing the productivity of the company or its suppliers by addressing the social and environmental constraints in its value chain.
- Local cluster development—strengthening the competitive context in key regions where the company operates in ways that contribute to the company’s growth and productivity.<sup>8</sup>

Creating shared value goes beyond corporate social responsibility in guiding the investments of companies in their communities. Corporate social responsibility focuses mostly on reputation and has only a limited connection to the business, making it hard to justify and maintain over the long run. Creating shared value is integral to a company’s profitability and competitive position. It has a profit imperative. It leverages the unique resources and expertise of the company to create economic value by creating social value.

### **Shared value creation is about being good, not just looking good**

A reconciliation action plan provides a framework and plan for companies to articulate their shared value strategy. The goal of a RAP is to turn good intentions into measurable actions that support Aboriginal and Torres Strait Islander people achieve equality in all aspects of life—a goal which benefits all Australians.

The RAP provides a framework which covers the activities that we know can make a difference:

- **Relationships**—good relationships are based on trust, understanding, communication and mutual respect.
- **Respect**—respecting the special contribution of Aboriginal and Torres Strait Islander peoples to Australia.
- **Opportunities**—working together to ensure Indigenous children have the same life opportunities as other children in this prosperous country.

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<sup>8</sup> *ibid.*, pp. 67–73.

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But a RAP is most successful when it is supported by a strong business case. When directors and CEOs of RAP companies are able to identify and articulate the business benefits to engaging in reconciliation, we see sustainable outcomes. Similar to ‘shared value’, there are four key areas which underpin the business case.

*Access to new and improved market share and employing a workforce that is representative of the community*

Organisations that are developing new markets and better penetrating existing markets by more fully meeting the needs of the fastest growing part of the Australian population help to develop trust and better engage Indigenous customers.

For example, National Australia Bank (NAB) launched its first reconciliation action plan in 2008 and has made significant commitments in promoting financial inclusion by: providing greater access to financial products and services; providing access to opportunities that lead to real jobs and meaningful careers in banking; and building partnerships that enable Indigenous businesses to grow and prosper. By investing in these areas, NAB recognises that greater financial inclusion, increased personal and household income and growing Indigenous business and organisational wealth will lead to greater interaction with financial services and position NAB as a banker of choice for Indigenous Australians.

*Workforce efficiency*

Attracting, motivating and developing talented local staff connected to local communities is efficient and effective. This overcomes costs and challenges associated with recruiting, transporting and accommodating staff from other locations and the higher turnover rates of these positions.

As part of its commitment to increasing the participation of Indigenous people in its business, Broadspectrum, formerly Transfield, launched its first RAP in 2009. It has learnt the value of community engagement and the impact of meaningful employment at the local level. By supporting local people, Broadspectrum has generated a positive reputation among the communities it works in. Its business model is based on long-term relationships, a value it takes to any community it engages with. As a business, a local workforce has clear financial benefits, but in addition it is supporting the social footprint of the community.

*Staff recruitment, engagement and satisfaction*

Generation Y clearly have a greater connection to social and corporate responsibility and make this a day-to-day part of their lives. Graduates are increasingly aware of and interested in the social responsibility of their employer and want the opportunity to play a meaningful role through their workplace. Maintaining staff wellbeing and satisfaction by providing opportunities to engage with community projects is a key workplace attraction.

KPMG is deeply respected by its Indigenous partners and the business community when it comes to reconciliation. It recognises there is an important value proposition that it can offer to attract new graduates and retain employees and it wants to develop leaders who have had ‘out of the box’ experiences. Participation in mentoring programs, honorary work and secondments enable staff to progress their own professional and personal development. KPMG supports leadership potential, skills transfer, performance, confidence and maturity, which aligns strongly with its global values and behaviours.

*Improving supply chain diversity*

Purchasing choices are, and will increasingly be, influenced by organisation reputation and community orientation. Indigenous procurement is a key action in reconciliation action plans. The Australian Taxation Office (ATO) realised a number of years ago that it could leverage its purchasing power to create a positive social impact for Indigenous business owners and communities. The concept was clear: by purchasing from Indigenous businesses the ATO can grow the personal wealth of Indigenous owners and employees, build capacity and stoke innovation in their supply chain. Since 2014 the ATO has progressively developed its supplier diversity strategy and in 2016 has procured over \$26 million in goods and services from Aboriginal and Torres Strait Islander businesses.

RAPs are also offering Aboriginal and Torres Strait Islander organisations and people new ways of understanding and engaging with reconciliation as advisers, co-mentors, training providers and enterprise partners, as well as benefitting from greater numbers of more carefully considered employment and professional development opportunities.

*The State of Reconciliation in Australia* report highlights that businesses are not just creating employment opportunities for Aboriginal and Torres Strait Islander workers and shared value for the companies, they are creating cultural change through awareness raising and leadership. They are leading change in attitudes, remoulding

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the culture in thousands of Australian workplaces and increasing the understanding of Aboriginal and Torres Strait Islander peoples' history and culture. They are actively breaking down racist stereotypes and helping to create workplaces that are supportive and encouraging of Aboriginal and Torres Strait Islander employees.

Reconciliation Australia's survey of employees in RAP organisations found that, compared to the general community, Aboriginal and Torres Strait Islander workers and other employees in RAP organisations: have much higher levels of trust between each other than the general community; are far less prejudiced towards each other; and have greater pride in Aboriginal and Torres Strait Islander cultures.<sup>9</sup> But as we have experienced over the past two years with the general community's outcry over the Indigenous war dance goal celebration by Indigenous role model and leader Adam Goodes, Australian of the Year 2012 and decorated AFL player, and the UNSW Indigenous terminology guide preferring the word 'invasion' to 'settlement', we have a long way to go in changing attitudes and building a nation that respects Indigenous culture and accepts our history.

### **How can governments create shared value?**

Porter and Kramer suggest that governments and non-profit organisations would also be able to 'leverage the power of market-based competition in addressing social problems'. Shared value offers a strategic opportunity to form exciting and innovative multi-stakeholder partnerships between government, business and civil society that are effective, efficient, and impactful.

They found that government can play five key roles in accelerating the adoption and implementation of shared value:

1. Acting as a knowledge broker—investing in social research, analysing best practices for solving problems and strengthening technical research that complements companies and community efforts.
2. Convening key players—a valuable first step for government in encouraging the identification and development of shared value opportunities is to convene key players.
3. Serving as an operating partner—partnering with companies in the implementation of shared value strategies by adjusting existing programs and co-ordinating different government programs.
4. Changing the risk/reward profile—where investment risks may appear too uncertain for companies, government could consider different tools, i.e. loans, tax breaks or subsidies to improve the risk/reward profile.

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<sup>9</sup> *RAP Impact Measurement Report*, op. cit., p. 2.

5. Creating a supportive regulatory environment—more nuanced regulations may be necessary so as not to limit the potential of shared value creation.

Social Ventures Australia also suggest governments need to recognise that there are multiple opportunities to encourage companies to address social issues ranging from employment to affordable housing across all sectors and industries. This requires policies that help shape a more conducive environment for change to be sustainable and scalable. This has been demonstrated through the *Commonwealth Indigenous Procurement Policy*.<sup>10</sup>

Governments themselves are huge purchasers of services and by building a shared value component into their requirements they can encourage companies to move in this way. The federal government launched the revised Indigenous procurement policy (IPP) in July 2015. The primary purpose of the policy is to ‘stimulate Indigenous entrepreneurship and business development, providing Indigenous Australians with more opportunities to participate in the economy.’<sup>11</sup>

The IPP allows Commonwealth buyers to purchase directly from Indigenous small to medium enterprises for contracts of any size and value using the Indigenous business exemption. This provides Indigenous businesses with a big advantage: they do not need to complete costly tender processes. Indigenous businesses must still demonstrate value for money, but this can be done through simpler processes.

The policy has three key components: a target for purchasing from Indigenous enterprises—three per cent by 2020—a mandatory set-aside to direct some Commonwealth contracts to Indigenous enterprises and minimum Indigenous participation requirements for certain Commonwealth contracts.

Since beginning in July 2015, Commonwealth agencies in 11 months have exceed their target of 0.5 per cent and awarded 993 contracts to 282 Indigenous businesses with a total value of \$195.8 million. This is more than 31 times the value of Commonwealth procurement with Indigenous businesses in 2012–13, which was \$6.2 million.<sup>12</sup>

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<sup>10</sup> Department of the Prime Minister and Cabinet, *Commonwealth Indigenous Procurement Policy*, July 2015, <https://www.dpmc.gov.au/resource-centre/government/commonwealth-indigenous-procurement-policy>.

<sup>11</sup> *ibid.*, p. 6.

<sup>12</sup> Department of the Prime Minister and Cabinet, ‘Indigenous Procurement Policy (IPP)’, <http://www.dpmc.gov.au/indigenous-affairs/economic-development/indigenous-procurement-policy-ipp>.

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One of the leading Commonwealth agencies to embrace the IPP is the Department of Defence. The Department of Defence has been working with Indigenous contractors for some years but the policy has enabled them to use an exemption under the IPP to sign a \$6 million contract, a first for an Australian government construction contract, with Pacific Services Group Holdings, an Indigenous business, as the head contractor for the works, which will refurbish existing marine infrastructure and buildings at HMAS Waterhen in Sydney.

The IPP is a good news exception in Indigenous policy and the flow-on effect that is now being witnessed with state and territory governments and the corporate sector adopting similar policies will only accelerate the impact. The policy is creating shared value through government diversifying its supply chain. This brings innovation and more profitable Indigenous businesses, which are 100 times more likely to employ Indigenous people, thereby increasing tax revenue and reducing reliance on government social services.

A key partner in the policy implementation is Supply Nation, a national not-for-profit organisation established to accelerate supplier diversity in Australia and grow a prosperous Indigenous business sector. Supply Nation's goal is to integrate Indigenous small and medium enterprises into the supply chains of Australian corporations and government agencies. Today Supply Nation has over 1,000 registered and certified Indigenous businesses and 230 government and corporate members.

Supply Nation works on a national, global, cross-sectoral scale in a manner that is driven by corporate and government buyers. Supply Nation has out-performed its Global-Link peers—Canadian Aboriginal and Minority Supplier Council, Minority Supplier Development United Kingdom, South African Supplier Diversity Council, and Minority Supplier Development China.

In 2015 Supply Nation released *The Sleeping Giant: a Social Return on Investment Report on Supply Nation Certified Suppliers*.<sup>13</sup> The researchers found that every certified supplier owner profiled uses their business as a vehicle to drive change for their family and wider community. Owners and employees of certified supplier businesses spoke of their increased confidence, autonomy and aspirations. They emphasised their commitment to making their businesses work for the wider community. All of these Indigenous business owners expressed their pride in being an example of strength and independence for the next generation. Business owners invest

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<sup>13</sup> Supply Nation, *The Sleeping Giant: a Social Return on Investment Report on Supply Nation Certified Suppliers*, report prepared by Robin Burton and Emma Tomkinson, Supply Nation, September 2015, [http://www.supplynation.org.au/resources/Social\\_Return\\_on\\_Investment\\_report](http://www.supplynation.org.au/resources/Social_Return_on_Investment_report).

in their children's education, act as mentors for their employees and other businesses, and are positive role models in the community—factors they themselves attribute directly to owning their own business.

Some of the report's key findings for Indigenous businesses were:

- For every dollar of revenue, Indigenous businesses create \$4.41 of economic and social value.
- Indigenous businesses employ more than 30 times the proportion of Indigenous people than other businesses.
- Indigenous-owned businesses strengthen their Indigenous employees' connection to culture.
- Indigenous owners, employees and communities are proud of Indigenous businesses.
- Owners of Indigenous businesses reinvest revenue in their communities.<sup>14</sup>

Supply Nation, Commonwealth agencies through the Indigenous procurement policy, and corporate Australia are demonstrating what can be achieved through a shared value approach. We need more examples of this policy approach. What will be important going forward is identifying the policies that are the most effective in achieving the intended result of social and economic value. One such policy is the Indigenous advancement strategy.

In response to desperate situations well-intentioned people are seeking solutions by highlighting the dysfunction and dependency within Indigenous communities and, as a consequence, there is an overwhelming negative image. These negative images often convey only part of the truth, but they are not regarded as part of the truth; they are regarded as the whole truth.

Once accepted as the truth about communities, this 'deficit model' determines how problems are to be addressed. It begins by focusing on a community's deficiencies and problems. It is by far the path most travelled by governments and it commands the vast majority of our financial and human resources. In my mind this approach has been the inappropriate base for the current policy framework on welfare reform for the past 10 years.

The current policy framework, focuses on solutions that are:

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<sup>14</sup> *ibid.*, p. 7.

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- Prescriptive—based on problems and deficits with a directive, reactive or interventionist focus from government.
  - Punitive—action and implementation is driven by a ‘stick’ approach including compliance audits, statutory reviews and quarantining of welfare payments.
  - Policing—the role of government is policing and surveillance of people and outcomes, rather than being a partner in the performance process.

As a result, many disadvantaged communities are now environments of service where behaviours are affected because residents come to believe that their wellbeing depends upon being a client. They begin to see themselves as people with special needs that can only be met by outsiders.

There is an alternative path, which insists on establishing a clear commitment to discovering a community’s capacities, assets and opportunities—that is, to locate all the available local assets, begin connecting them with one another in ways that multiply their power and effectiveness, and begin harnessing local institutions and decision-making authority for local development purposes. This requires government to look for opportunities to harness the creativity, perseverance and resources of the community and private sector to create shared value.

#### **DFAT overseas aid program—creating shared value through partnership**

This approach is recognised by the Department of Foreign Affairs and Trade in its policy approach to engaging the private sector in foreign aid and development. The recent statement by the Minister for Foreign Affairs, *Creating shared value through partnership*, demonstrates her intention to amplify the impact of Australia’s aid program by moving away from aid grants to leveraging the ‘assets, connections, creativity and expertise’ of the private sector in such a way that it will generate business returns.<sup>15</sup>

The program works to solve complex development problems across a number of priorities: agriculture, fisheries and water; building resilience; education and health; effective governance; gender equality; and infrastructure, trade facilitation and international competitiveness. Their value proposition is to offer businesses the:

- Ability to convene, broker and influence—they have considerable networks and credibility to assist businesses.

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<sup>15</sup> Department of Foreign Affairs and Trade, *Creating shared value through partnership: Ministerial statement on engaging the private sector in aid and development*, August 2015, p. 4, <http://dfat.gov.au/about-us/publications/aid/Documents/creating-shared-value-through-partnership.pdf>.

- Deep knowledge of the business, political and regulatory environment in developing countries.
- Support in creating a more attractive business operating environment—policy reform and investments are specifically related to improving the investment environment in the countries where they work.
- Catalytic funding—they have the capability to provide catalytic funding to encourage and support businesses.<sup>16</sup>

Government and community groups will need to constantly reassess how they can optimise what they do to contribute to the creation of shared value. This requires aligned interests, a common direction and an environment that is conducive to advancing everyone's efforts.

RAPs are already providing a framework for this approach with community and corporate businesses already creating shared value. There are already 20 companies that have achieved the highest Elevate RAP status, which is awarded by RA when companies demonstrate significant investment and thought leadership.

Governments need to capitalise on this and become partners in the outcome. An area which offers significant opportunities for creating shared value is early childhood education. The Commonwealth has set a new Closing the Gap target of 95 per cent of all Indigenous four-year-olds enrolled in early childhood education by 2025. Evidence shows that quality early childhood education prepares a child for school, has a positive impact on attendance and provides a solid foundation for learning and achieving at school and beyond. This is particularly important to vulnerable Aboriginal and Torres Strait Islander children.

The government is aiming to invest \$40 billion in childcare support through the Jobs for Families childcare package, which includes targeted support for vulnerable children and families. In addition, a further \$10 million is being invested for integrated early childhood, maternal and child health and family support services with a number of disadvantaged communities.

According to the Secretariat of National Aboriginal and Islander Child Care (SNAICC), the Jobs for Families childcare package may not achieve its intended outcome for more than 19,000 Aboriginal and Torres Strait Islander children and there is strong evidence that supports the importance of Aboriginal and Torres Strait Islander community control to outcomes in service delivery. SNAICC states that

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<sup>16</sup> *ibid.*, p. 5.

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‘‘What works’ is community engagement, ownership and control over particular programs and interventions.’<sup>17</sup>

SNAICC advocates that Indigenous early childhood education centres:

... support the wellbeing of the most vulnerable children and families in the community ... They are holistic and responsive to child and family needs, including integrated language development, speech and hearing supports, as well as broader health, family support, capacity building and early intervention. They are Indigenous led and support local employment and community up-skilling.<sup>18</sup>

Corporate Australia also recognises the importance of early childhood education, with Australia’s largest oil and gas company, Woodside, announcing a partnership with the University of Western Australia’s Centre for Social Impact to invest \$20 million over 10 years in early childhood development in communities where Woodside operates. In doing this they are investing to reduce vulnerability and increase resilience and capacity in communities now in order to foster robust and sustainable workforces in communities from 2025, and beyond. The initiative partners with early childhood experts to improve health, nutrition, safety, and education for children aged 0–8 years. Woodside have launched their 2016 Elevate RAP and committed to improving early childhood outcomes for Indigenous Australian children and families through the Woodside Development Fund.

No single individual, program, organisation, institution, company or government can bring about large-scale social improvement alone. The alignment of the three sectors’ interests, with a commitment to building strong relationships and partnerships, respecting each partner’s role and matching strengths and capabilities and efforts to enable the local Indigenous community to be the owners and drivers of their services would deliver educational opportunities and outcomes greater than would be otherwise achieved without collaboration, delivering shared value for all.

## **Conclusion**

Reconciliation can seem a big process and many Australians do not know how to take action. But it is through the small everyday acts that all Australians can get involved. It can involve actions by individuals, such as attending an Indigenous cultural event,

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<sup>17</sup> Secretariat of National Aboriginal and Islander Child Care, *The Jobs for Families Child Care Package: Unintended consequences and policy alternatives for Aboriginal and Torres Strait Islander children*, February 2015, p. [3], [http://www.snaicc.org.au/wp-content/uploads/2016/02/Factsheet-The\\_Jobs\\_for\\_Families\\_Child\\_Care\\_Package-Edit\\_ES.pdf](http://www.snaicc.org.au/wp-content/uploads/2016/02/Factsheet-The_Jobs_for_Families_Child_Care_Package-Edit_ES.pdf).

<sup>18</sup> *ibid.*

acknowledging traditional owners, standing up against racism, reading a book by an Indigenous author, or actions by big business, such as purchasing products from Indigenous-owned businesses or employing Indigenous people.

When reconciliation becomes a natural process, which is not spoken about but is displayed daily within every action by individuals and groups, then we can achieve greater equality. When we work together, shoulder to shoulder, we bring a greater understanding of each other.

When I reflect on what reconciliation is for me, it is more than a process or a movement, it is a philosophy. It is about accepting difference—culture, experience, views and opinions—building respectful relationships and working towards a just society for all. It is an essential nation-building effort. It encourages us to be our better selves.



**Rosemary Laing** — Thank you very much Leah. It is such an impressive story. I think it is so uplifting to have an alternative model to the really negative, depressive welfare model that you described really well and called the deficit model. I would like to float one idea for you to comment on: it is such a big picture, such large aspirations, but action starts on the ground with that first step and I think that one of the important concepts of the reconciliation action plans is the idea of a RAP champion. You need perhaps those individuals with vision and commitment to take those first steps. I wonder if you care to comment about that concept of a RAP champion and how important they might be in this whole process?

**Ms Armstrong** — As I outlined, RAPs are really about institutional change but reconciliation needs to live in the hearts and minds of every Australian. Individuals can take those very small steps, so the big picture does not have to be so scary. I think that is what we need to break down—yes, reconciliation is a big-picture, nation-building agenda, but it takes the individual acts of every individual Australian. So for RAPs in an institutional context, yes, it does require someone to take a leading or champion role, and that generally has to be long term as well. Once they get it at the board level and the CEO level, they have to commit. It has to come from the top as well. We mostly see resistance in institutions not so much at the top or the bottom of the organisation but actually in the middle. That is where the resistance is because it requires them to think differently, to behave differently and perhaps to go out and do things differently. Where there is success, you have the CEO and the board

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completely committed and they have set actual performance measures on their management so that they are made accountable for RAP outcomes.

**Question** — Thank you Leah for your presentation. It is really inspiring to have a strong first nations woman such as yourself talk in Parliament House of all places and be very honest. I would also like to acknowledge the traditional owners of the land on which I am speaking today. I work in the Department of Foreign Affairs and Trade as the manager of the Aboriginal and Torres Strait Islander public diplomacy program and part of that program is that we try to foster greater international understanding of indigenous peoples both in Australia and externally. I have found that for a lot of Australians there is very little knowledge and understanding of our history, of our culture, of what we have been through and of how to move forward. So in some ways we are no longer preaching to the choir, but preaching to those who need to be converted. You noted today that there is a variety of government policies and programs, such as the Indigenous procurement strategy, that are certainly innovative and are things that we may have not thought about 10 years ago that are making substantive change within communities and are actually empowering Indigenous peoples to take this forward. But without the commitment of not just organisations but also the people within them there is potential for those to fall by the wayside and to be a temporary movement. I think what you are invested in is to have long-term sustainable change and not the revolving door of policy that has happened even while I have been alive.

My question to you is: with the Indigenous procurement policy being quite an innovative measure, do you think that Australia should start considering what 10 years ago may have been quite controversial? I note that in places like Finland, Norway and other Nordic countries you have indigenous parliaments that advise government. In our own backyard we have New Zealand with parliamentary seats set aside for indigenous peoples. Do you think policies like these, which I suppose you could say are positive discrimination policies, should really start to replace the deficit model we currently sit under?

**Ms Armstrong** — If you look at the supplier diversity movement in the US, which we have actually adopted the IPP from, it is a legislated affirmative action policy in the US to assist African American, Native American and Hispanic minorities. It is a policy that has been there for over 40 years and it has driven great wealth creation in those communities. I believe that there are mechanisms like that affirmative action legislation that can drive greater benefits and impacts. Certainly there are other mechanisms. The example that you have given of having strong representative voices in parliament is certainly a part of the reconciliation movement. In the last election we got quite a number of Indigenous politicians. So we can progress down that path of

getting more voices in parliament and also have mechanisms outside of parliament where we can have the Indigenous voice being strongly promoted.

**Question** — I would be interested to know what Reconciliation Australia has in mind or thinks about creating a treaty. In other parts of the world treaties do exist, but on the other hand many of those treaties—for example, the Treaty of Waitangi in New Zealand—were originally imposed on the local people by the invading government. So the situation in Australia now is very different. If Arthur Philip had tried to have a treaty in 1788, at best he would only have had it with the Eora people of the Sydney region. It is much more complicated than that and there are 200 years of history in the middle. So is there a process now that we can find that might create a genuine treaty between people who were here for so many tens of thousands of years before the rest of the people like me turned up? Is there a way that Reconciliation Australia can see the establishment of a treaty?

**Ms Armstrong** — I cannot speak on behalf of Reconciliation Australia as I am no longer there, but I do know that, as part of their *State of Reconciliation in Australia* report, they do support a process for agreement making between Indigenous peoples and governments. They definitely do support the ongoing discussion and conversation around agreement-making or treaties. In fact it is one of the indicators that was presented by the Council for Aboriginal Reconciliation in their *Roadmap for Reconciliation* that there be a process towards agreement and treaty making. They definitely do support the conversation and people should be talking about agreement making and treaties in whatever form they take.

**Question** — I work at the Department of Human Services, more commonly known as Centrelink. We are in a way the facilitators of the traditional welfare model. I work in the reconciliation space and you are bang on correct: we have our very high-level executives on board and we have a ground layer of people on board, but it is that middle layer that we really struggle to facilitate reconciliation with, particularly in the management relationships we find. We have a staffing level of approximately 35,000. The majority of our staff are not Canberra-based; they are out servicing customers. My question is: how do we do a better job of making RAPs less corporate? It is a corporate plan for us and I think that is probably one of the major triggers for people to say, ‘No, it is from Canberra, it is corporate.’ How do we make it more accessible on the ground?

**Ms Armstrong** — It is a common issue that you have the head office in the major cities develop the corporate plan and the actions but there is very little awareness and understanding out in the regions. It is not just government agencies; it happens with major corporations as well. I guess the successful ones have actually been able to

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break down the RAPs and give responsibilities to those regions for certain actions that match each particular region. Corporate sees it from the top as a holistic thing, but it is about asking how you can make these actions come to life in your region or where you live and work and about giving direction and responsibility out to those people in the regions.

**Question** — Thank you very much for your very interesting talk. That leads on to my question: how many of us are here to hear you talk? I think there really isn't enough publicity at a very general level about the successes you are having. We constantly hear of the negative things and it just seems to me that there isn't a place for more discussion on success and, in some places, lack of success in the general community. Is there an effort being made in that respect?

**Ms Armstrong** — The foundation of what Reconciliation Australia tries to do is promote the positive to get people engaged. They don't want to sugar-coat the bad and the areas that need support but, as I said, there is some amazing stuff happening out there. The entrepreneurship that is coming through Indigenous people, the numbers of graduates out of university—lawyers and doctors. In fact there is a group called CareerTrackers that provides internships for Indigenous students. It is signing up 10-year agreements with corporate Australia to take hundreds of Indigenous university students on because they see the talent that is coming out of these universities and that Indigenous university students are bringing different perspectives. And there are other programs in schools.

It is a difficult thing to get out through the noise of mainstream media, where it is all about highlighting the deficit side and the problems. Social media is probably the best approach that Reconciliation Australia has taken to get in good news stories. They also run a program called the Indigenous Governance Awards, which has been running for 10 years. BHP Billiton funds the awards, which highlight good governance in Indigenous organisations and how these organisations, against a backdrop of changing government policy and changing programs, are actually governing quite well and incorporating Indigenous cultural perspectives in the way they deliver services. But you never get to hear or see those things. They are doing amazing stuff. It is an ongoing challenge and we constantly try to highlight the success rather than continuing to focus on the deficit.