

Senate Community Affairs Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
FAMILIES, HOUSING, COMMUNITY SERVICES AND
INDIGENOUS AFFAIRS PORTFOLIO
2012-13 Supplementary Estimates Hearings

Outcome Number: 7

Question No: 470

Topic: Medina Vibe Hotel

Hansard Page: Written

Senator Scullion asked:

IBA entered into a partnership with the Larrakia Development Corporation to purchase the Medina Vibe Hotel on the basis that it would provide employment opportunities for Indigenous people. What are the specific numbers of employment outcomes that have been achieved? How many Indigenous employees are employed by the hotel?

Answer:

Indigenous Business Australia (IBA) entered into a partnership with the Larrakia Development Corporation (LDC) to purchase the Medina Vibe Hotel on the basis that it would enable LDC to build its asset base and generate sound investment returns, with other benefits including the following:

- employment and training opportunities;
- opportunity to participate at the Board level in the management of the asset;
- opportunities to develop smaller businesses from this major investment in the tourism sector.

The investment in the hotel was profitable for LDC, and remains profitable for the current investors. This contributes to economic development outcomes across IBA's portfolio.

Since LDC and IBA acquired their equity in December 2009 the hotel has on average employed 1-2 Indigenous staff. At present, there are no Indigenous staff.

In line with its strategy (as described in QON 160), for the past three months IBA has been working with its co-owner, Toga Hospitality, and a local Indigenous Employment Provider to identify graduates from their job-ready program to be employed in the hotel.

As a first step some graduates will receive hospitality experience at Toga's Travelodge Mirambeena Resort in Darwin ahead of further placements, into the Medina Vibe Hotel, from early 2013.