



**Australian Government**  
**Indigenous Land Corporation**

**Head Office**

GPO Box 652  
Lvl 7, 121 King William Street

Adelaide SA 5001

Ph: (08) 8100 7100

Freecall: 1800 818 490

Fax: (08) 8100 7171

Website: [www.ilc.gov.au](http://www.ilc.gov.au)

ABN: 59 912 679 254

**SUBMISSION TO:**

***'Indigenous Economic Development Strategy***

***Draft for consultation and Action Plan 2010-2012'***

## **EXECUTIVE SUMMARY**

The Indigenous Land Corporation (ILC) is pleased to present this submission to the *Indigenous Economic Development Strategy – Draft for consultation and Action Plan 2010-2012* (IEDS).

The ILC notes the five strategic priorities of the draft IEDS. This submission focuses on the practical and significant role that the ILC's land acquisition and land management programs play in the creation of Indigenous employment across urban, rural and remote Australia (Strategy 2), the development of Indigenous businesses (Strategy 3) and including building organisational and individual capabilities (Strategy 1).

The ILC Board places priority on the creation of Indigenous employment outcomes and believes this is best achieved in mainstream industries. The submission illustrates how the ILC's land acquisition assistance enables the creation of new Indigenous employment, through projects proposed by Indigenous groups and those initiated by the ILC. It demonstrates how the land acquisition program assists in sustaining existing businesses, and Indigenous employment, by providing a secure and stable base from which Indigenous service providers can operate with increased confidence. It also identifies emerging employment opportunities from Indigenous custodianship of the environment and offsetting green house gas emissions.

The ILC's land management program assists in the development of Indigenous owned land, including bringing it into production. Some Indigenous landowners have negotiated commercial agreements for the ILC to lease their property, in return for the ILC managing the business, bringing capital, developing infrastructure, facilitating training and mentoring and creating employment. The ILC also collaborates extensively with Australian and state/territory government agencies, Indigenous land councils and industry to leverage funding and to bring advice, planning and capacity-building, mentoring, infrastructure development and capital to Indigenous landowners in the Kimberley, Pilbara, Queensland, South Australia, the Northern Territory and other places in regional Australia. The underlying priority is always to create and sustain Indigenous employment.

The ILC brings flexibility to individual project design through capital, facilitating individual and organisation capacity building and property planning, and leveraging funding from third parties. The ILC focuses on creating employment and helping develop and sustain Indigenous businesses, including through the following forms of assistance:

1. Acquiring land to develop businesses and create employment;
2. Operating businesses in the tourism and pastoral industries in regional and remote Australia;
3. Negotiating commercial leases with Indigenous landowners to develop infrastructure and capacity;
4. Assisting Indigenous service providers by acquiring properties that provide security and stability and reduce rental overheads;
5. Collaborating with government agencies, Indigenous land councils and industry to develop property/business plans and capacity, as well as provide business advice, mentoring, and developing infrastructure;

6. Exploring emerging opportunities in Indigenous custodianship and offsetting greenhouse gas emissions; and
7. Maximising Indigenous services and employment in the operation of businesses and when undertaking infrastructure and construction works.

The submission provides case studies illustrating how the ILC assists in the creation of enterprises, capacity development and sustainable Indigenous employment. The case studies are highlighted by the:

- Acquisition of Ayers Rock Resort (investment of \$300M) – 340 Indigenous jobs by end 2018;
- Construction of Mossman Gorge Tourism Centre (\$20M) – 8 Indigenous jobs during construction, up to 70 Indigenous jobs created by mid-2012 (tourism peak season), with 40 ‘*Job Guarantees*’ preparing for the commencement of their employment in the new centre in late 2011;
- Establishment of Gunbalanya Pastoral and Meat Supplies (\$3M) – 28 Indigenous jobs currently in place; and
- Construction of the National Centre for Indigenous Excellence (\$50M) – 35 Indigenous jobs during construction, 47 currently employed.

The submission illustrates the ILC’s approach to the delivery of training and creation of Indigenous employment, including operating training centres on all ILC businesses and residential facilities at 12 remote locations; embedding training in the day-to-day operations of the business; offering *Job Guarantees* to trainees who successfully undertake accredited training and work experience placements; and achieving Indigenous employment outcomes through contracting builders and service providers to engage Indigenous trainees and employees.

Achievement towards Indigenous economic development is demonstrated through the ILC’s attainment of key performance indicators and targets in the annual Portfolio Budget Statements:

Key Performance Indicators	2009-10 Target	Achieved 2009-10
Total number of Indigenous staff employed directly through ILC agricultural and tourism businesses	128	136
Total number of Indigenous trainees hosted through ILC agricultural and tourism businesses	190	207
Total number of Indigenous employment outcomes enabled through ILC land acquisition and land management projects	300	655 new 974 sustained
Total number of Indigenous training outcomes enabled through ILC land acquisition and land management projects	600	3,093
Total number of Indigenous-held properties with improved land management	140	190
Proportion of ILC-assisted projects that protected cultural and environmental heritage values or maintained culture	25%	30%
Proportion of projects that were collaborative with and leveraged funding from other agencies	66%	65%

Finally, the paper provides comments on challenges that will need to be addressed to enable the success of a final IEDS, including low numeracy and literacy skills, lack of basic life skills and job readiness, unwillingness to relocate to take up jobs, the challenge of improving retention rates, and the ability to remain on or return to CDEP or income support payments where jobs are available.

## Introduction

The ILC notes the five strategic priorities of the draft IEDS. This submission focuses on the significant role that the ILC's land acquisition and land management assistance plays in respect to Strategic Priorities 1, 2 and 3 – Building (organisational and) individual capabilities; Jobs; and Business and Entrepreneurship.

Our submission describes:

- The functions of the ILC;
- The ILC's commitment to socio-economic development;
- How the ILC goes about developing Indigenous businesses;
- How the ILC creates employment; and
- Constraints that will need to be addressed to ensure the success of a final IEDS.

## About the ILC

The ILC is an independent statutory authority of the Australian Government, established in 1995 to assist Indigenous Australians **acquire and manage land** to achieve economic, environmental, social and cultural benefits. The ILC's enabling statute is the *Aboriginal and Torres Strait Islander Act, 2005*.

The ILC Board is appointed by the Minister for Families, Housing, Community Services and Indigenous Affairs and consists of seven Directors, of which the Chairperson and at least four other members must be Indigenous.

The ILC is funded by the Aboriginal and Torres Strait Islander Land Account<sup>1</sup>, with a balance of approximately \$1.8 billion at 1 October 2010. This account is managed by FaHCSIA under delegation from the Minister for Finance and Deregulation. The ILC receives an annual minimum payment of \$45 million, which is indexed by the Consumer Price Index. Additional annual payments are made to the ILC, to an amount by which the actual capital value of the Land Account exceeds the real capital value of the account.

## ILC commitment to Indigenous socio-economic development

The National Indigenous Land Strategy (NILS) is the ILC's key policy document. It describes the priorities and strategies set by the Board, the program structure and the key principles and policies that frame the

---

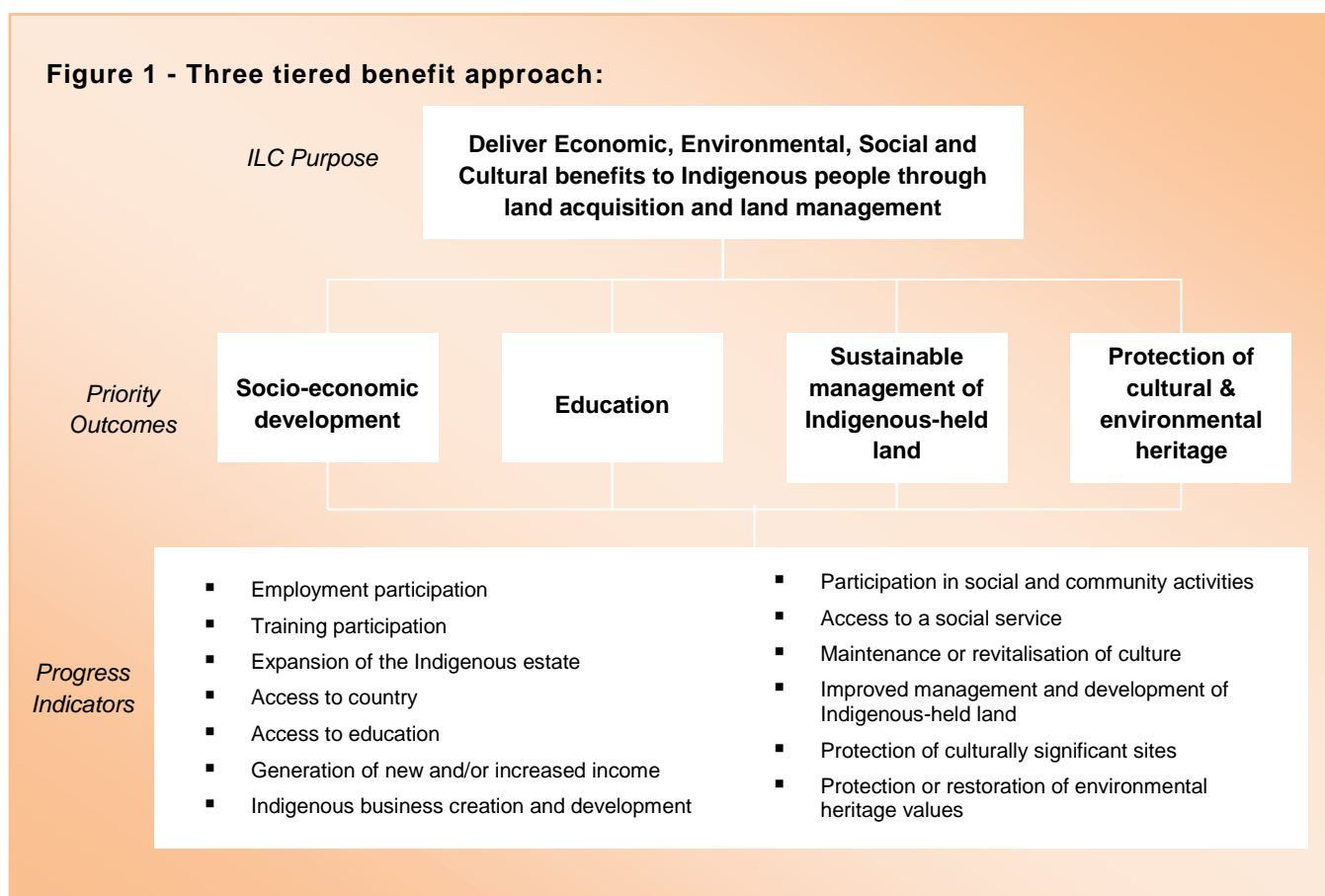
<sup>1</sup> A Special Account as provided for by section 20(1) of the *Financial Management and Accountability Act 1997*.

programs. It is reviewed annually and revised as necessary, with revisions provided to the Minister for tabling in parliament.

The ILC Board believes that economic, environmental, social and cultural benefits will flow to Indigenous people through engagement in education, employment-focused training and employment. The ILC targets these priorities and assists with the development of Indigenous businesses and the creation of employment through the variety of mechanisms outlined below.

The ILC has established clear line of sight between its legislated purpose, priority outcomes and progress indicators. This line of sight is illustrated in Figure 1 and reflected in program documentation, the Annual Report, and the *Deliverables* and *Key Performance Indicators* reported against in annual Portfolio Budget Statements.

**Figure 1 - Three tiered benefit approach:**



**Note:** The Education outcome is included as the ILC has agreed to assist the Australian Government in establishing Indigenous student hostels at Weipa in far north QLD and in the NT. In Weipa, Rio Tinto Australia has gifted land to the ILC for the proposed 120-bed secondary hostel, and FaHCSIA and the ILC are finalising funding arrangements to enable construction to commence in 2011. The ILC's role is limited to constructing the hostel, with FaHCSIA responsible for selecting a hostel operator and overseeing the ongoing operation of the hostel. Negotiations are continuing with DEEWR in respect to funding arrangements for the proposed NT hostels.

Achievement towards these priority outcomes is demonstrated through the ILC’s attainment of key performance indicators and targets in annual Portfolio Budget Statements:

Key Performance Indicators	2009-10 Target	Achieved 2009-10
Total number of Indigenous staff employed directly through ILC agricultural and tourism businesses	128	136
Total number of Indigenous trainees hosted through ILC agricultural and tourism businesses	190	207
Total number of Indigenous employment outcomes enabled through ILC land acquisition and land management projects	300	655 new 974 sustained
Total number of Indigenous training outcomes enabled through ILC land acquisition and land management projects	600	3,093
Total number of Indigenous-held properties with improved land management	140	190
Proportion of ILC-assisted projects that protected cultural and environmental heritage values or maintained culture	25%	30%
Proportion of projects that were collaborative with and leveraged funding from other agencies	66%	65%

## Assisting in the development and sustainability of Indigenous businesses and employment

The ILC conducts an annual call for applications seeking land acquisition or land management assistance. Projects are assessed on the basis of relative merit and must be of reasonable cost given the benefits to be delivered. The ILC also initiates projects, generally in collaboration with Indigenous groups or Government Agencies.

Applicants for land acquisition assistance must be Indigenous-controlled organisations. Land management assistance is also open to Government agencies, non-government organisations and individual Indigenous landholders. Land management projects must take place on Indigenous-held land.

All applicants to the ILC’s annual call must be compliant with their regulatory responsibilities, capable of managing the proposed land project or use, and able to demonstrate a need for assistance that cannot be met through the functions of other agencies<sup>2</sup>. Project proposals are assessed against rigorous criteria and must deliver achievable and sustainable economic, environmental, social and/or cultural benefits, comply with laws and regulations, use sound land and environmental practices and not require ongoing funding from the ILC.

The ILC is cognisant of emerging employment and business development opportunities in the Indigenous custodianship of culture, the environment and offsetting greenhouse gas emissions. It is

<sup>2</sup> Section 191F(3) provides that the ILC’s functions are in addition to, not instead of, the functions of other agencies.

working with Indigenous organisations, non-government organisations, land councils and relevant agencies to plan for and develop these opportunities.

The ILC brings flexibility to individual project design through capital, capacity building, mentoring, property planning, business advice, leveraged funding from third parties, excellent Indigenous stakeholder engagement, and facilitating the delivery of individual and organisational training. The ILC's focus on developing and helping sustain Indigenous businesses and employment includes the following forms of assistance:

1. Acquiring land to develop businesses and create employment;
2. Operating businesses in the tourism and pastoral industries in regional and remote Australia;
3. Leasing Indigenous-held land to develop infrastructure and capacity;
4. Assisting Indigenous service providers by acquiring properties that provide security and stability and reduce rental overheads;
5. Collaborating with government agencies, Indigenous land councils and industry to develop property and business plans and capacity, provide business advice and mentoring, and develop infrastructure;
6. Exploring emerging opportunities in Indigenous custodianship and offsetting greenhouse gas emissions; and
7. Maximising Indigenous services and employment in the operation of businesses and when undertaking infrastructure and construction works.

## **1. Acquiring land to develop businesses and create employment**

Proposals to develop Indigenous businesses emerge from applications, ideas from Indigenous groups, and opportunities identified by the ILC that will achieve Indigenous benefits. The ILC utilises its land acquisition program to acquire land to develop businesses or to assume operation of existing businesses. It is able to use its land management program to construct buildings, develop infrastructure and purchase plant and equipment to commence operations.

The ILC assesses the merits of business proposals, including the employment and other benefits that will accrue for Indigenous Australians, and conducts due diligence to ensure they are viable and sustainable. The ILC is required, when acting commercially, to follow sound business principles and always follows sound environmental practices.

### **CASE STUDY 1.a – MOSSMAN GORGE**

As long as 10 years ago, the Mossman Gorge Aboriginal Community identified an opportunity to develop businesses from the more than 500,000 tourists that visit the gorge each year. The community had the vision of transporting tourists from outside the community up to the gorge to reduce deleterious impacts of traffic on the environment and their community. However, it did not have the capital or

capacity to take advantage of the opportunity. The ILC subsequently acquired approximately nine hectares of land and has commenced construction of a world class visitor centre.

**Mossman Gorge Gateway Centre** is an example of ILC creating and building a nationally significant Indigenous tourism business and training facility, to create employment. Mossman Gorge is an Australian Government welfare reform trial site.



#### How is the ILC assisting?

- Acquired 9 hectare property at the entrance to the Mossman Gorge Aboriginal Community
- Constructing a world-class \$16m visitor centre at the site – to be opened late 2011
- Constructing a residential Training College to provide accredited training in the tourism, hospitality and related industries
- 42 candidates are given a *Job Guarantee* with around 30 of these to start a 12 month traineeship before being employed at the Gateway Centre
- Provision of a dedicated, locally-based human resources officer for on-ground co-ordination, community engagement and liaison with employment and training providers, host employers and government agencies

#### Collaboration:

- Project leverages funding and in-kind support from DEEDI (QLD), the main funder of the *Job Guarantee* program, DEEWR, FaHCSIA, DERM (Qld), and the Mossman Gorge Aboriginal Community
- ILC is the principle funder, contributing approx. \$20m – the investment is to be recouped in approximately 10 years

#### Outputs:

- 22 traineeships already underway with 9 host employers
- Up to 70 jobs in the high season; up to 40 Indigenous people all year round
- In 2009-10 32 *Job Guarantees* secured for Indigenous candidates.
- *Job Guarantees* cover all facets of the tourism development at Mossman Gorge, including tour guides, café and art gallery assistants, hospitality and visitor management, administration, marketing and bus driving.
- A further 10 *Job Guarantees* are being offered to successful Indigenous candidates in 2010-11 taking the number of job guarantees to 42
- 8 Indigenous trainees employed in construction works

## CASE STUDY 1.b – AYERS ROCK RESORT

Wana Ungkuntja (WU), an Indigenous organisation representing Indigenous business interests in the nearby communities of Mutijulu, Imanpa and Docker River, has had a longstanding right of first refusal to purchase Ayers Rock Resort (inclusive of the Yulara township and airport), but was unable to raise



capital in its own right. The ILC has used its land acquisition program to engage in a contract to acquire the resort with settlement expected between March and May 2011.

The ILC has acquired the national and international tourism icon **Ayers Rock Resort (ARR)** at Yulara. The vision is to establish a substantial Indigenous tourism enterprise to employ significant numbers of Indigenous staff. There are significant opportunities for the Government to support the ILC to undertake ventures with Indigenous businesses.



#### How will the ILC assist?

- Acquisition of all hotels and accommodation, the airport and workers' village - \$300 million investment to be recouped over 10 years
- Establishing a National Indigenous Tourism and Hospitality Training Academy to produce nationally accredited Indigenous graduates and transition them to employment in ARR and mainstream tourism and hospitality industries
- 104,000 hectares of land with significant cultural values will be granted to an appropriate Indigenous title holding body, with arrangements that allow the continuing operation of ARR

#### Collaboration:

- Negotiated arrangement with Wana Ungkuntja (WU), representing Indigenous business interests in the nearby communities of Mutijulu, Imanpa and Docker River
- The ILC will work with local Indigenous communities to train Indigenous youth and assist transition into employment in ARR and the tourism industry
- Significant opportunities exist for Government to support the ILC in the areas of education, training and employment

#### ILC's vision, shared by WU:

- By end 2015, 200 Indigenous people will be employed at the Resort, climbing to 340, more than 50% of total employees, by the end of 2018.
- From 2013, 200 people a year will be in training at the National Indigenous Tourism Training Academy at Yulara
- Over the next five years, 500 Indigenous trainees are expected to graduate from the Training Academy, with graduates gaining employment at the Resort and in other jobs in the tourism and hospitality industries across Australia

## 2. Operating agricultural and tourism businesses in regional and remote Australia

The ILC operates 16 commercial businesses, 9 fully operational and 7 in development, that support the delivery of on-the-job training and provide employment for Indigenous people. In 2009-10, ILC-operated businesses employed over 562 staff and trainees, with 136 being Indigenous employees and 207 trainees. Over 500 kilometers of fencing was erected, six new stock yards were constructed, 21 dams and three bores were installed, and three solar hybrid power systems were established. Training facilities are in place on all businesses with residential accommodation located on 12. Key outcomes for 2009-10 included:

- Providing accredited training in pastoralism, tourism, and natural resource management;
- Offering employment within ILC-operated businesses and mainstream industry;
- Bringing Indigenous-held land back into production and implementing natural resource management practices;
- Creating sustainable enterprises through infrastructure and herd development; and
- Developing capacity through property and business planning, land management advice, governance training and mentoring.

### CASE STUDY 2.a – HOME VALLEY STATION

**Home Valley Station (HVS)** has been developed as a major pastoral-based tourism business in the East Kimberley. In addition to its tourism, hospitality and cattle activities, HVS hosts a residential-based regional training facility delivering accredited skills and jobs for Indigenous people in the pastoral and tourism industries.



#### How is the ILC assisting?

- Trainees earn wages as they work towards accreditation in tourism business operation
- Construction of new tourism facilities was completed mid-July 2008, including 28 accommodation units, a training room, conference and training rooms

#### Collaboration:

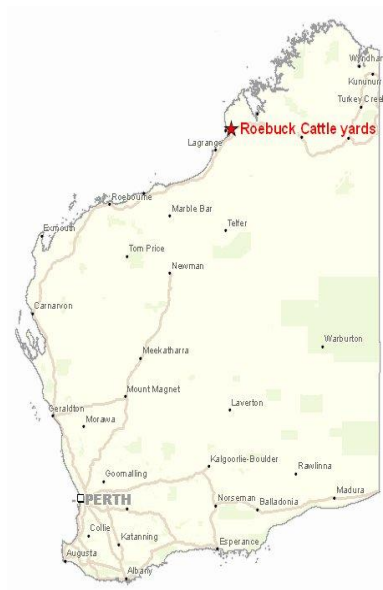
- In May 2009, the Minister for Tourism Martin Ferguson AM MP officially opened the HVS redevelopment
- Key parties include Traditional Owners, DEEWR, Kimberley TAFE and the Kimberley Land Council

#### Outputs:

- The ILC building project won the 2009 Master Builders of WA Excellence in Construction Award for a Regional Project and Commercial building under \$20m
- During 2009-10, 43 Indigenous people were employed in the resort and 7 Indigenous people were employed as fencing contractors
- The training program had 22 Indigenous participants undertaking Certificates I & II in Tourism, Hospitality and Horticulture
- Various school groups from Indigenous communities in the East Kimberley region visited HVS to gain experience of employment opportunities available in the tourism industry

## CASE STUDY 2.b – ROEBUCK EXPORT DEPOT

**Roebuck Export Depot (RED)**, Broome, is another example of the ILC achieving gains against strategic priority 3.1 of the IEDS. RED enhances regional mainstream economic development, providing an important service to the regional cattle industry by quarantining up to 8,000 head of cattle at a time prior to shipment to markets in Asia and the Middle East.



### How did the ILC assist?

- Built RED, a new, state-of-the-art industry, AQIS-registered live export depot

### Collaboration:

- Then Federal Minister of Agriculture Tony Burke MP opened the RED on 11 June 2009
- RED assists existing Aboriginal pastoral properties with marketing, together with the possibility of consolidating cattle loads from different properties, thereby increasing prices paid for cattle

### Outputs:

- Significant capacity has been added to WA's \$198m live cattle trade
- Creation of 2 jobs for Indigenous people in managing, feeding, transporting and animal husbandry of large numbers of export cattle
- The RED facility enables Indigenous and non-Indigenous cattle producers to export cattle through an Indigenous-owned depot
- In 2009-10, 8 Indigenous trainees from Roebuck Plains Station rotated through RED for work experience

## 3. Negotiating commercial leases with Indigenous landowners to develop infrastructure and capacity

Some Indigenous landowners do not have the capacity or capital to operate businesses at their full potential to sustain employment and income. They have approached the ILC to enter into commercial agreements to lease the property, operate and develop the business, improve infrastructure, invest capital and train young Indigenous people so they have the opportunity to secure employment. These cattle production businesses include Urannah and Bulimba Stations in northern QLD; Cardabia in WA; and Warrigundu Station (see case study), Strangways and Gunbalanya (see case study) in the NT.

## CASE STUDY 3.a - GUNBALANYA

The lease-back of Gunbalanya Station and Gunbalanya Meat Supplies from Traditional Owners to the ILC enabled the ILC to develop a floodplain pastoral operation, commercial abattoir and pastoral and meat processing training centre in a remote community with few other options for sustainable economic activities. Gunbalanya receives cattle from ILC properties in the NT for the meatworks and finishes cattle for live export.



### How did the ILC assist?

- Injected capital, training, support, planning, fencing and infrastructure to develop a pastoral business and meatworks

### Collaboration:

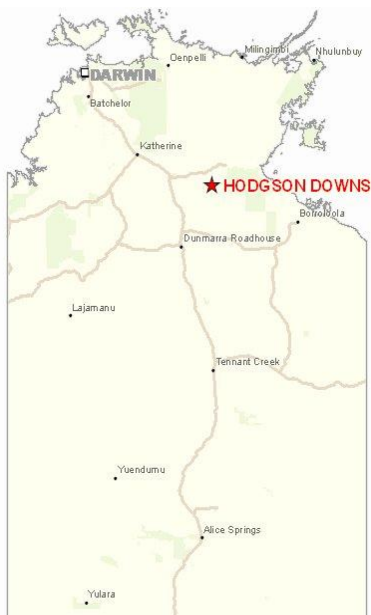
- The ILC and Traditional Owners entered into a 15-year agreement with Gunbalanya Meat Supply Pty Ltd, the Arnhem Land Aboriginal Land Trust and the Northern Land Council

### Output:

- Currently, the meatworks sustain production of 28 head per week, but will be capable of processing 90 per week within the next 2 years
- 28 Indigenous people are employed in the pastoral and meatworks operations
- Indigenous trainees participated in:
  - Certificate II in Agriculture (8 people)
  - Certificate II in meat processing (9 people)
  - saddle making school (7 people)
  - horsemanship and knife sharpening courses (10 people)
  - first aid (20 people)
- The business has brought Indigenous-held land back into production, increased throughput at the meatworks and improved food security for the region

## CASE STUDY 3.b – WARRIGUNDU STATION

**Warrigundu Station** (formerly called Hodgson Downs) hosts a large training to employment project in agriculture, rangeland management and business administration for local Indigenous people from the nearby Miniyerri community and is another example of the ILC undertaking joint ventures with Indigenous businesses.



### How did the ILC assist?

- Established intensive pastoral infrastructure through a significant capital development program on the property
- Increased the herd up to 12,750 head

### Collaboration:

- Undertaken at the request of the Traditional Owners
- Collaboration between the Traditional Owners, the Northern Land Council and the ILC under an 11 year grazing licence

### Outputs:

- During 2009-10, 22 Indigenous people were employed at Warrigundu Station on a casual basis
- A residential, employment-based training program was undertaken with trainees participating in:
  - Certificate III in Agriculture (1 trainee)
  - Certificate II in Agriculture (10 trainees)
  - Certificate II in Conservation and Land Management (5 trainees)
  - Certificate II in Kitchen Operations (3 trainees)
  - Certificate II in Business Administration (2 trainees)
  - various other courses

## 4. Assisting Indigenous service providers - enabling employment

The ILC is able to assist new and existing Indigenous service providers through the acquisition of properties that provide secure and stable accommodation for Indigenous businesses to deliver services, and provide leverage that has increased the security of ongoing funding for service provision<sup>3</sup>. The ILC calls for applications annually and places priority on projects that achieve significant Indigenous employment outcomes relative to the funding provided.

The following case studies illustrate how the ILC's land acquisition and land management assistance has enabled Indigenous employment through the delivery of training, drug and alcohol rehabilitation, aged care and labour hire services.

<sup>3</sup> In cases where the role of other agencies is not duplicated

## CASE STUDY 4.a - SOUTH HEDLAND TRAINING AND EMPLOYMENT FACILITY

Bloodwood Tree Association (BTA), a 100% Indigenous controlled organisation, was established in 1977 to engage Indigenous people in the Pilbara regional economy. BTA proposed to establish a training and employment centre at South Hedland to allow expansion of its holistic service model that addresses issues of accommodation, substance misuse, work readiness, skills development and training, and employment.



### How is the ILC assisting?

- Contribution of approximately one third of the funds towards a \$3m construction project
- ILC land management funds will contribute towards site works, construction and project management of the facility
- The new facility will expand the existing training and employment services provided in the Pilbara and will enable BTA to double the number of Indigenous clients they assist into skills and training programs

### Collaboration:

- A joint partnership with BTA, the ILC, the Pilbara Development Commission (PDC) and Lotterywest, with the support of the WA Department of Housing

### Proposed outputs:

- Increased Indigenous employment within BTA from 9 to 26 positions within 3 years
- Double the annual Indigenous employment outcomes that BTA achieves within 3 years to 190 full-time, 10 part-time, and 5 seasonal/contract placements each year
- Double the annual Indigenous apprenticeship and traineeship program outputs within 3 years to 15 apprenticeship and 30 traineeship opportunities
- Expand pre-vocational training to reach 1,315 Indigenous people per year, with skills including construction, hospitality, drivers licences, life skills, and resume writing
- Enable BTA to continue to provide access to social services for 60-70 Indigenous people each year, including health services addressing substance misuse and hostel accommodation



## CASE STUDY 4.b - GOORI HOUSE

The purchase of Goori House and Goori Halfway House, Brisbane, is an example of the ILC enhancing the delivery of social services to Indigenous people. Goori Original Ltd provides residential counseling and rehabilitation services primarily for men with drug and alcohol addiction, achieving success rates higher than mainstream programs. Goori Halfway House focuses on skilling clients through training to employment and transitioning them back to family and community life.



### How did the ILC assist?

- Purchased and granted two properties to provide Goori Original Ltd with secure tenure
- Undertook essential repairs and maintenance to the properties
- Secure tenure enables Goori Original Ltd to expand services to clients, secure funding from DOHA and Queensland Health and confidently plan for the future

### Collaboration:

- Successful collaboration between the ILC, the service funding bodies and the Indigenous service provider

### Outputs

- Goori Original has a proven track record of delivering highly successful and sustainable treatment programs
- Over 90% of clients leaving the final stage of the treatment program in 2008-09 entered into employment
- In 2008-09 ten graduating clients obtained fulltime employment
- The Centre provides 12 full-time employment positions, 7 of which are held by Indigenous men or women
- The Centre also provides support for Indigenous clients in job placement through job networking agencies
- In 2008-09, 70 clients were in the aftercare program (3-9 month period) where training to employment is compulsory. This training included literacy and numeracy, computer, job seeking, blue cards, licenses and living skills
- In 2008/09 one graduate of the halfway house undertook Alcohol and Other Drugs training to acquire skills in addiction treatment

## CASE STUDIES 4.c & 4.d – KALAMUNDA RD AND VERNEY RD

**Kalamunda Road**, Perth, was acquired to accommodate Burnna Yurrul Aboriginal Corporation (BYAC) to provide Indigenous people with pathways into employment, predominantly in the mining industry, through its expanding, innovative training and educational programs in WA.



### How did the ILC assist?

- Acquired the property to provide BYAC with secure tenure, a base to provide Indigenous employment services and the opportunity to expand the range of courses and improve services to clients
- Undertook essential repairs and maintenance on the property

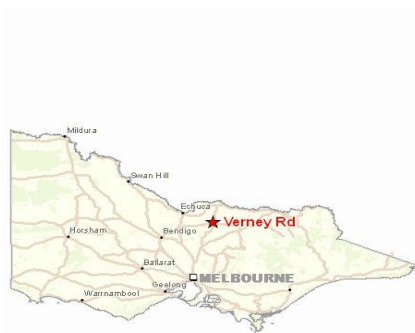
### Collaboration:

- In kind support was provided by the Swan Chamber of Commerce and Industry

### Outputs:

- BYAC employs 32 staff, 29 of whom are Indigenous. The acquisition has enabled employment to increase by 7 positions
- In 2010, BYAC supported 52 high school students to gain Certificate I in Leadership Development and Employability Skills
- In 2011, BYAC will expand its range of courses to include Transport and Logistics traineeships

**Verney Road**, Shepparton, was acquired by the ILC for Rumbalara Aboriginal Co-operative Limited (Rumbalara) to establish a multi-purpose aged care complex (MACC) which will deliver aged care, assisted living, respite, arts and crafts, men's programs and student accommodation for Indigenous people in the Shepparton region.



### How did the ILC assist?

- Acquired the land to allow Rumbalara A/C to establish a MACC

### Collaboration:

- The planned \$17m state-of-the-art facility will be made possible primarily through collaboration between Australian and Victorian government agencies

### Outputs:

- 450 Rumbalara members will access facilities and programs of the MACC
- Facilities/programs will include a 30 bed residential aged-care facility, 36 assisted living units, high care home, respite house, community centre, arts and crafts centre, men's shed, aged-care staff and student accommodation
- MACC is expected to create more than 40 new Indigenous positions
- Significant training outcomes were achieved in 2009-10 in preparation for the opening of the Centre

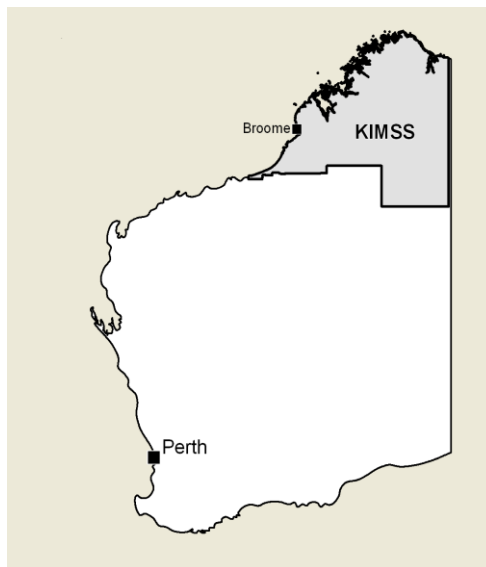


## 5. Providing land management assistance to develop businesses and create employment

The ILC funds regional projects in collaboration with Australian and State/Territory government agencies, land councils and industry to provide property and business planning, training, extension services, mentoring and infrastructure development to Indigenous landowners. The ILC has funded programs in the Kimberley and Pilbara and the Northern Territory and other locations around Australia. Outcomes include bringing Indigenous-held lands into production, increasing the number of cattle, negotiating grazing agreements and training and creating Indigenous employment.

### CASE STUDY 5.a - KIMBERLEY INDIGENOUS MANAGEMENT SUPPORT SERVICES (KIMSS):

**Kimberley Indigenous Management Support Services (KIMSS)** builds on existing expertise of Indigenous pastoral leaseholders to create sustainable cattle enterprises and generate ongoing jobs and training for Indigenous people in the Kimberley.



#### How does the ILC assist?

- Funds the program manager and extension officer positions
- Provides infrastructure improvements to stations

#### Collaboration:

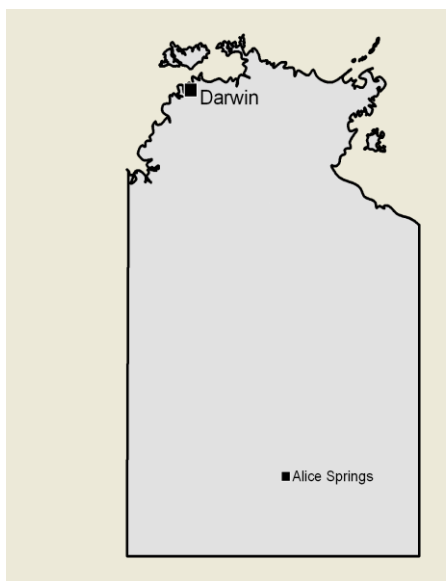
- ILC and the WA Government (Department of Agriculture and Food)

#### Outputs:

- Achieves training and employment outcomes by providing governance, business and land management advice to Indigenous pastoralists
- In 2009-10, 147 training courses were attended by Indigenous people, including 55 people in accredited governance training up to Certificate IV level
- Five Indigenous people were directly employed in the KIMSS team.
- The project also enabled employment of Indigenous people in 59 full-time and 120 part-time positions
- KIMSS project staff are helping to develop site protection plans and better land management has led to improved significant cultural site management
- This year KIMSS won the WA Premiers award in the *Revitalising the Regions* category for the third time, as well as the overall prize for *Excellence in Public Sector Management* for the second time.

## CASE STUDY 5.b – INDIGENOUS PASTORAL PROGRAM

The **Indigenous Pastoral Program (IPP)**, established in 2003, is increasing the area of Indigenous-owned land in cattle production, increasing the number of cattle on Indigenous-owned land and increasing Indigenous participation in the NT pastoral industry.



### How does the ILC assist?

- Since establishing the IPP, the ILC has contributed \$9.2m for coordination, planning, training and infrastructure development
- In 2009-10, the ILC contributed \$600,000 to a \$1.7m infrastructure development program for plant, equipment and property management planning on 7 properties

### Collaboration:

- The ILC's project partners are the Indigenous landowners, the NT Government, the Northern Territory Cattlemen's Association, the Northern and Central Land Councils and DEEWR

### Outputs:

- Since establishment, the IPP has delivered economic benefits to 36 Indigenous owned properties
- 55 new jobs were created on 16 priority IPP properties
- In 2009-10 training was enabled for 37 Indigenous people in Certificate II in Agriculture (Beef Cattle Production)
- 13 natural resource management (NRM) audits undertaken
- 7 property management plans were completed
- An additional 86,000 cattle on Indigenous-owned land
- An additional 20,000km<sup>2</sup> of land fenced, watered and in pastoral production

## 6. Emerging opportunities in Indigenous custodianship and offsetting greenhouse gas emissions

The ILC is aware of employment, business development and income-earning opportunities that may arise for Indigenous Australians in offsetting greenhouse gas emissions and undertaking Indigenous custodianship of the environment. The ILC has already contracted the Commonwealth Scientific and Industrial Research Organisation (CSIRO) to analyse carbon-related opportunities on three ILC-held and three Indigenous owned properties across Australia.

The ILC is collaborating with the Northern Australia Indigenous Land and Sea Management Alliance (NAILSMA) to seek accreditation for carbon offsetting through fire abatement under the Voluntary Carbon Standard and the Climate, Community and Biodiversity Alliance (CCBA). The ILC is also collaborating with The Nature Conservancy (TNC) to fund development of a business plan to initiate fire

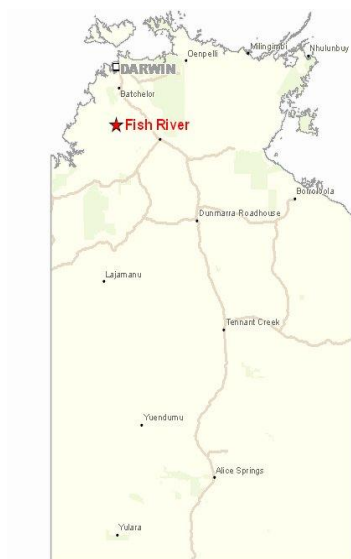
abatement projects in five locations across northern Australia. The Western Arnhem Land Fire Abatement (WALFA) project demonstrates there is potential to produce and sell carbon offsets to create jobs and produce income.

The ILC has collaborated with the Australian Government's *National Reserve System Program*, TNC and the Pew Environment Group (Pew) to acquire Fish River Station in the Daly River region of the NT. The property was primarily purchased to conserve the significant biodiversity values of the property and will employ 8 Aboriginal Rangers in doing so. However, project partners are developing on-property enterprises that can complement protection outcomes.

Acquisition of the neighbouring Elizabeth Downs Station, a cattle station capable of carrying 10,000 head of cattle but also with significant biodiversity values, could complement and sustain the conservation outcomes. The ILC has commenced exploring initiatives that could see "*production complementing protection*" through the development of Indigenous enterprises (carbon, biodiversity, horticulture, grazing, fire management, ecotourism, wildlife sanctuaries etc).

## CASE STUDY 6.a – FISH RIVER STATION

The ILC acquired the perpetual crown lease known as *Fish River Station* in the environmentally significant Daly River region of the Northern Territory to protect its significant conservation values and divest the property to Traditional owners.



### How is the ILC assisting?

- ILC contributed \$1.4m to acquire the title
- Managing the property in accordance with a Conservation Plan of Management
- Identifying and consulting with Aboriginal stakeholders
- Developing enterprises to sustain conservation outcomes, all with a view to divesting the property to an organisation representative of traditional owners.

### Collaboration:

- Acquired for \$13m in an historic collaboration between the Australian Government's *National Reserve System Program*, the ILC, TNC and the Pew Environment Group (Pew)

### Outputs:

- 8 Indigenous Rangers, and develop basic infrastructure and a Plan of Management for the property scheduled for 2011
- TNC developing an Endowment Fund to help sustain the future management of the property - over \$600,000 already raised
- ILC is exploring enterprises (offsetting GHG emissions from fire abatement, biodiversity credits, eco-tourism etc) to complement the conservation outcomes and sustain Indigenous employment on the property and surrounding regions.
- It is planned to declare the property an Indigenous Protected Area
- The ILC and partners believe this acquisition and land management model might be replicated to engage Indigenous people in ownership, and sustainable protection in other significant biodiversity regions

## 7. Maximising Indigenous services and employment in the operation of businesses and when undertaking infrastructure and construction

### a. Through the ILC training to employment model

The ILC board allocated \$9 million to establish and operate a major training to employment program on ILC's 16 business properties. The funding is for training and residential facilities, supervision and mentoring, and for accredited 12 month traineeships on real wages for 537 trainees. The Federal Department of Education Employment and Workplace Relations provides funding support which is negotiated annually.

The ambitious program has an objective of graduating 70% of those who participate in the program and commits to finding a job for all those graduates. In 2009-10 the **ILC training to employment model** achieved substantial outcomes to provide accredited residential training, tailored to deliver employment opportunities for Indigenous people in the pastoral and tourism sectors. The ILC training to employment model provides a unique pathway into agriculture, tourism and other industries not matched by other programs.

#### Key elements of the ILC's training to employment model:

- Trainees are employed by group training companies and ILC commercial operations host the trainees providing on-site resources, including trainee supervisors, residential accommodation, transportation to and from properties, and operational equipment on a scale not available through mainstream employers;
- Nationally-accredited training packages, training standards and methodologies including pre-vocational Certificate I programs and 12-month Certificate II or III traineeships in rural skills including agriculture, meat processing, horticulture, along with conservation and land management, construction, tourism and/or hospitality;
- Mentoring and training in life skills incorporating literacy, numeracy and money-management;
- Close relationships with Indigenous communities to provide support and encouragement;
- Collaboration with national and state employment and training agencies, employers and service providers including Registered Training Organisations such as TAFEs and private training providers and Group Training Organisations; and
- Career opportunities with the ILC and other employers.

As at end June 2010, since the strategy's inception and as a direct result of their participation, 33 Indigenous trainees had transitioned into real jobs on ILC-operated businesses and, as a result of the positive reputation the program has developed with industry, a further 35 Indigenous trainees have taken up positions with other mainstream industry employers. Additional employment has also been generated within the ILC subsidiary, National Indigenous Pastoral Enterprises (NIPE), for 17 Indigenous people as supervisors and cooks to provide support to trainees.

During 2009-10 the ILC provided hosted employment on its businesses properties for a 207 Indigenous trainees of which 20 transitioned to direct employment on ILC businesses. Of the 207 Indigenous trainees who were employed, 103 were continuing in training at 30 June 2010.

During 2009-10 the ILC also directly employed 136 Indigenous people across its 16 businesses properties. In addition, during 2009-10, the ILC provided employment for 48 Indigenous people in other capacities such as being employed by contractors and through work experience placements.

Residential and/or training facilities are now in place on all ILC businesses and/or properties. The ILC's training to employment model is expanding with major projects starting at new locations in 2009-10. Projects are now in place at the National Centre of Indigenous Excellence at Redfern, the Mossman Gorge Gateway Centre tourism project near Cairns and Merriman Station near Brewarrina in NSW, providing an additional 78 Indigenous training opportunities in 2009-10.

#### **b. Prioritising employment and collaboration**

ILC achievements in sustainable employment outcomes are described previously in the project case studies. Outcomes are illustrated in the case studies above.

The ILC has a key performance target of collaborating with and leveraging funding from other agencies on 66% of its projects.

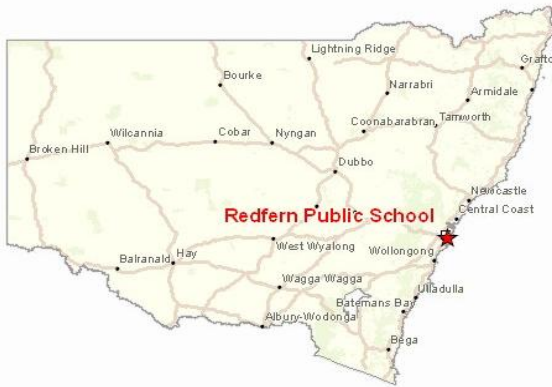
#### **c. Maximising Indigenous employment in construction**

In accordance with the *ATSI Act 2005*, the ILC is committed to maximising employment and training opportunities for Indigenous people. The following examples highlight how the ILC has and is achieving positive employment and training outcomes on two significant ILC construction projects:

##### **Construction of the Mossman Gorge Gateway Centre (see case study 1.a):**

- The builder and sub contractors are contracted to an Indigenous Employment Participation Plan (IEPP)
- The builder must meet the minimum criteria of 8 full-time equivalent positions for the duration of construction
- The ILC held a jobs expo in the Mossman Gorge Community to highlight the jobs on offer during the construction phase of the project
- Over 100 people attended the expo and 30 people have registered their interest in construction jobs.

## CASE STUDY 7.a – NATIONAL CENTRE FOR INDIGENOUS EXCELLENCE



The **National Centre of Indigenous Excellence (NCIE)** is a state-of-the-art facility built by the ILC on the former Redfern Public School site in Sydney. This project enhances the delivery of social services to Indigenous people through the four development pathways of sport, learning and innovation, culture and arts, and health and wellbeing, and the NCIE creates personal development and leadership opportunities for young Indigenous people from across the country.

### ILC promotion of Indigenous employment during construction:

- A joint initiative between the ILC and the Redfern Waterloo Authority (RWA), an Indigenous Employment Participation Plan (IEPP) identified a minimum of 20 positions for the construction phase
- Throughout the project Indigenous workers (7 tradesmen, 20 labourers and 8 apprentices) had accumulated approximately 1,800 working days between them
- During the design phase of the NCIE, the ILC and the RWA worked closely to assess the potential number of Indigenous employment opportunities (20 were identified), based on the nature of construction activities
- 35 positions were achieved at the conclusion of the construction phase, well above the target expected

**Outputs:** A range of programs delivering benefits to Indigenous people were coordinated from or delivered at the centre, including:

- The Australian Indigenous Mentoring Experience (AIME) program, where over 750 volunteer university students work with more than 500 Indigenous high school students in 43 schools engaged in the program
- The National Aboriginal Sporting Chance Academy ran a camp for 49 Indigenous students and staff, conducted pre-employment training for 29 Indigenous job seekers and conducted a variety of job-readiness sessions, such as resume writing, life skills and interview techniques
- Exodus Foundation Literacy Tutorial Centre provided 23 places for primary school aged children and achieved substantial gains in reading accuracy and words read per minute. The Exodus Youth Program provided a second chance in education and training for 25 young people from Redfern and surrounding areas

At the completion of the construction program, 35 Indigenous people had been employed in building the NCIE under the Indigenous Employment Participation Plan. Since opening, the NCIE and its tenants employed 47 Indigenous people in various sport, recreation, youth and community programs, and hospitality positions. Indigenous participation has averaged 70% across all YMCA programs offered at NCIE, including fitness and gymnasium memberships, school camps and sports programs.

Through the YMCA, five school-based trainees undertook Certificate II in Sport and Recreation and three Indigenous staff undertook Certificate IV in Sport and Recreation. Other training conducted included first aid, lifesaving, food handling and leadership.



#### **d. ILC/NIPE**

Indigenous employment in ILC is 26%. The ILC Indigenous Employment and Career Development Strategy (IECDS) seeks to increase Indigenous employment to more than 30%, including through advertising all vacancies in Indigenous email networks and websites, Indigenous newspapers, via the Aboriginal Employment Program and through Indigenous support programs at universities and colleges. The strategy is overseen by an Indigenous Coordination Group which meets every six months with the ILC General Manager to explore current and innovative ways of increasing Indigenous employment.

Indigenous employment in NIPE is currently 52% with a target of increasing to more than 60%.

### **Challenges for successful Indigenous employment**

Whilst the ILC's training to employment model has had significant achievements, there are difficulties in attracting trainees to the program, retaining trainees through to graduation, and securing job outcomes for trainees who complete the program.

#### ***The ILC's difficulties attracting trainees and employees***

- Low levels of literacy and numeracy, with English sometimes being a second or third language in remote locations
- Trainees not being able to adjust to the level of commitment required to sustain ongoing employment and personal development
- Trainees having pre-existing personal issues including poor health and wellbeing, and alcohol and drug dependency
- Limited role models of people working within Indigenous many families and/or communities
- The ease with which trainees can return to CDEP or income support without activity testing or sanctions

#### ***What the ILC does to attract and retain trainees***

The ILC has developed innovative ways of attracting appropriate trainees, including:

- Holding community days where traineeships are explained along with the employment opportunities offered to successful graduates
- Involving families and communities in supporting and encouraging young Indigenous people to take up traineeships
- Comprehensively assessing the skill sets of prospective trainees prior to commencing a traineeship and tailoring training packages to fill the gaps
- Assessing the willingness of potential trainees to work in remote areas and their ability to cope with living on the business property away from family
- Giving priority to trainees who have a genuine interest in their chosen area of training

### ***ILC strategies to retain trainees through to graduation and employment***

Retention rates for Indigenous trainees have climbed from 41 per cent completing training in 2008-09 to 56 per cent in 2009-10 with further increases anticipated in 2010-11. The ILC's aim is to improve its recruitment, development and retention strategies to achieve 70 per cent retention.

Measures currently in place to accomplish this include:

- Improved recruitment and selection processes incorporating career days on property and in local communities
- Greater community consultation in trainee selection and the steering committees that oversee conduct of the training programs
- Maintaining close relationships with Indigenous communities throughout the life of the training program – to support, encourage and congratulate achievements
- Conducting school-to-work orientation days and enabling school-based traineeships, which are providing additional pathways to employment and training on ILC business properties and contribute to improved retention
- Ongoing improvement of induction and probation arrangements
- Offering retention incentives at three months, six months and upon graduation
- Providing work experience placements in mainstream industry to build upon the ILC's reputation for producing quality trainees with industry employers. (In 2009-10, four Indigenous jackeroos were placed with the Australian Agricultural Company (AAco) in the Northern Territory)
- Progressive assessment of employability skills aided by personal training plans incorporating individual learning styles and needs, literacy and numeracy levels and recognition of current competencies
- Personal training plans are developed during the probationary period for each participant incorporating individual learning styles and needs, literacy and numeracy levels, money management skills and recognition of prior learning. This is followed up by mentoring during training (and post-employment) and training in life skills, as well as training in the real skills required for a career in the relevant industry. All trainees are now required to undertake at least one work experience placement each year.
- Training plans for each business property are mapped annually to property training plans and successful training outcomes are a key objective of each business. The ILC ensures that the training offered matches the nature of work of each ILC business so that staff vacancies can be filled by trainees from one of the training programs in the first instance. To date 50 per cent of graduating trainees are offered jobs on ILC business properties and the other 50 per cent are offered jobs with external employers.



## **Constraints to successful Indigenous employment**

### ***Low educational levels – high costs for employers of providing mentoring and support***

The ILC believes that the most fundamental constraint to job creation for Indigenous Australians is a lack of education. While there have been improvements in some areas, Indigenous Australians continue not to achieve the same educational outcomes as other Australians. Too many young Indigenous Australians, especially in regional and remote areas, have not attained sufficient levels of numeracy and literacy skills to secure or remain in employment. As illustrated above, the ILC's training to employment program is achieving good results, but this requires considerable remedial work at a level that most employers are not able, or simply cannot afford, to deliver.

### ***CDEP and income support***

It is generally accepted that unconditional welfare has had an extremely deleterious impact in remote and regional Indigenous communities. Exempting people in remote areas from the work test, while well-meaning, has had harmful consequences. CDEP does not prepare people for real jobs, it allows them to avoid the work test and people can leave a real job and return immediately to CDEP or income support without any consequences or sanctions. ILC-operated businesses have experienced people refusing seasonal, casual and full-time employment and/or withdrawing from traineeships and employment and returning to CDEP or income support with immunity.

### ***'Land is not always a benefit'***

It is the experience of the ILC that ownership and management of land in itself does not always translate to benefits for Indigenous owners. Landowners must have the commitment and capacity to meet landholding costs and undertake activities, and the land itself must have the potential to meet the aspirations of owners. Owning land can at times can in fact become a liability. Section 4.5 of the strategy should have regard to the fact that some properties in the Indigenous estate may never be viable.

### ***Indigenous land as security for financing***

Section 5.2 of the draft strategy implies that the ILC does not support the use of Indigenous land as security for funding. This submission demonstrates that the ILC, in collaboration with Indigenous landowners, has used land to leverage funding and the creation of Indigenous enterprises. It should also be noted that the ILC is able, and has given approval, to Indigenous landholders to mortgage granted properties where benefits to Indigenous people can be demonstrated.