

3. Committee comment

Cultural awareness through the RAP program

- 3.1 The committee was pleased to learn that the Reconciliation Action Plan (RAP) program is generally well received by most of the stakeholders who contributed to the inquiry. The committee considers this program to be a very useful framework for entities in the public and private sector to further develop cultural understanding and better engagement practices.
- 3.2 The evidence presented to the inquiry indicates that RAPs play a positive role and the expansion of the program's reach is to be welcomed, they will only foster better engagement with Aboriginal and Torres Strait Islander consumers if they are implemented at all levels of an organisation.
- 3.3 The examples of the destruction of the sacred sites at Juukan Gorge by Rio Tinto, and the \$50 million penalty imposed on Telstra for aggressive and inappropriate sales practices towards Aboriginal and Torres Strait Islander customers, and Woolworths failure to adequately consult communities on its plans to open a Dan Murphy's in Darwin show that even organisations with well-developed RAPs can do things that are wholly contrary to the principles of reconciliation. A RAP document is therefore not enough in itself. A RAP has to become, and remain, an integral part of the practices of the business at all levels.
- 3.4 The committee is therefore very mindful of the criticisms made by some of the contributors to the inquiry – that RAPs can be 'box-ticking' exercises – and would like this to be explored in further depth. This will help to ensure that RAPs will continue to evolve for participating organisations and the communities they serve.

Critical market sectors for engagement

Financial services

- 3.5 It is troubling to the committee that many Aboriginal and Torres Strait Islander consumers have very poor experiences with banking and other financial services. The evidence presented so far indicates that there is continued behaviour by business which takes unfair advantage of the poor financial literacy of Aboriginal and Torres Strait Islander consumers in this sector.
- 3.6 The work of financial counsellors is vital to ensure that individuals especially in remote communities can be supported and assisted to stop financial and emotional trauma. It is clear there are too few counsellors and the service should be better resourced.

Payday lending and predatory car loans

- 3.7 Within the finance sector, the operation of payday lenders and certain car loan finance operations were deeply concerning to the committee. These predatory practices are operating outside of the reach of government regulators and are quite literally destroying lives.
- 3.8 These issues are not limited to Aboriginal and Torres Strait Islander peoples need to be address as soon as possible by the next Parliament.

Telecommunications and digital services

- 3.9 The Committee heard evidence that despite Telstra's significant fine for unconscionable sales practices toward Aboriginal customers in the Northern Territory, similar practices continue to occur in other jurisdictions. Evidence presented also indicated that many Aboriginal and Torres Strait Islander people around the country experience financial difficulties as a result of telecommunications debt. The upselling of products that were not needed was cited as one component of this.
- 3.10 The behaviour of corporate bodies in opposition to community expectations must be addressed.
- 3.11 These issues will need further exploration in the next Parliament.

Other sectors

- 3.12 A number of other sectors were highlighted in the evidence to the inquiry, including helplines provided by government agencies, predatory practices involving funeral insurance, and financial hardship caused by the high cost of utilities, particularly energy costs.
- 3.13 These areas also warrant further scrutiny as they all have a significant impact on the well-being of Aboriginal and Torres Strait Islander peoples.

Continuation of the inquiry

- 3.14 As indicated in chapter 1 of this report, there was insufficient time before the end of the current Parliament for the committee to fully explore policy options for government through this inquiry.
- 3.15 The committee believes therefore that this inquiry should be re-referred by the Minister at the beginning of the next Parliament. The newly formed committee will then have ample time to explore the issues discussed herein in greater depth and ultimately make appropriate policy recommendations to government.
- 3.16 The current committee members hope that this issues paper will serve as a useful starting point for the new committee to continue this important inquiry.

Julian Leeser MP

Chair

17 March 2022