

2024-25 Additional Budget Estimates
Finance and Public Administration Committee
Cross-Portfolio Indigenous Matters, 28 February 2025
Parliament House Canberra

OPENING STATEMENT

Shanti Rama, Acting CEO, Indigenous Business Australia

Thank you for the opportunity to provide an opening statement to this Senate Estimates hearing today.

I would like to acknowledge and pay my respects to the Ngunnawal and Ngambri people and extend this respect to Aboriginal and Torres Strait Islander people here with us today.

I would like to acknowledge the outgoing Chair and Board members of IBA.

- Eddie Fry
- Rick Allert AO
- Shirley McPherson
- Richard Callaghan.

Under their guidance, IBA has expanded its reach and impact, helping businesses thrive and communities grow.

Our supported finance model provides pathways to financial wellbeing through home and business ownership, and investment opportunities with First Nations communities.

I am pleased to report that, in the six months to December 2024, we have continued to deliver strong results and are on track to exceed the targets outlined in our current Corporate Plan.

We supported 1,397 Aboriginal or Torres Strait Islander people with an IBA product or the opportunity to access a job or procurement, including:

- 321 home loans, valued at \$156.6 million
- Finance for 98 business customers, valued at \$30.3 million

We distributed over \$200 million through capital or capability development activities.

We provided 1,832 Aboriginal and Torres Strait Islander people with access to networks, knowledge, and capability-building services such as financial literacy and financial readiness workshops.

Later this year we will release our next impact report, which explores what wellbeing means for Aboriginal and Torres Strait Islander people and how IBA's activities support financial wellbeing.

Financial wellbeing supports overall wellbeing by providing:

- the ability to live without stress or worry
- access to healthier foods and medical care
- the freedom to pursue life goals.

Our impact reports show that IBA's activities have positive impacts in the lives of many, with financial wellbeing for IBA customers markedly higher than for other Aboriginal and Torres Strait Islander people. Even more positively, we have tracked the higher wellbeing rates to continue, even after customers leave IBA.

Our legislated purpose requires us to manage and grow the funds under our management for the benefit of Aboriginal and Torres Strait Islander people.

IBA's net assets have grown to over \$2.3 billion.

We are delighted to welcome the historic passing of the legislative amendment to our enabling legislation – the *Aboriginal and Torres Strait Islander Act 2005* (Act).

The change enhances IBA's ability to leverage capital, support more Aboriginal and Torres Strait Islander people in achieving their dreams of home ownership, business enterprise and community investment.

Previously, Section 184 of the Act restricted IBA from borrowing or raising capital.

The amendment removes this barrier, providing IBA with the flexibility to explore new opportunities, and expand the range of financial products it can offer to meet market needs.

We are delighted with the appointment of our new Chair, Darren Godwell, and new Board members, Leah Cameron and Olga Havnen.

I am excited to work with them, the rest of the Board and IBA's Executive team, to refresh and update our strategy to capitalise on IBA's new legislated powers.

Over the next year or so, IBA will be supporting the establishment of a new First Nations Economic Partnership and Framework in partnership with First Nations leaders, communities, businesses, and other stakeholders.

We are delighted to be supporting this process and believe we have a lot to contribute due to our:

- Strong technical skills and experience in finance, business, commerce, and economic development
- Proven ability to manage risk, comply with regulations, and navigate government processes
- Track record in delivering high impact initiatives through co-design and an evidence-based approach
- Established connections with Aboriginal and Torres Strait Islander people, businesses, and communities.

Collaboration and partnerships are a fundamental part of our approach to providing inclusive, equitable and fair access to capital and finance.

Thank you and I look forward to your questions.