

2023-24 Supplementary Budget Estimates
Finance and Public Administration Committee
Cross-Portfolio Indigenous Matters, Friday 27 October 2023
Parliament House Canberra

OPENING STATEMENT

Kirsty Moore, Chief Executive Officer, 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, who have cared for and nurtured this Country since time immemorial. I extend this acknowledgement to all Aboriginal and Torres Strait Islander people here today.

IBA continues to deliver on our purpose centred on financial inclusion and economic empowerment. I am pleased to report that in the last financial year to 30 June 2023 IBA has achieved some great results.

In terms of home ownership,

- 744 new customers were pre-approved for a loan, enabling them to start looking, and 465 actual new loans were issued when customers found suitable properties for purchase.
- 1,334 First Nations people accessed financial literacy and readiness services through home ownership workshops.

As foreshadowed, in our previous Senate Estimates hearing, we developed a shared equity product and launched it on 31 August 2023, to help more customers purchase a suitable home. We have since approved our first two shared equity customers and have a couple of dozen more in the final stages to approval.

Moving on from homes to business solutions,

- We supported, financed, and connected with 1,237 First Nations businesses across all available products and services.

- 590 First Nations people accessed knowledge and expanded their networks through business ownership workshops
- And we continued to deliver the Indigenous Business Relief Package to First Nations businesses impacted by the COVID pandemic.

Our Investments division was similarly successful.

- We grew our community of co-investors to 70 organisations across Australia.
- IBA's investments portfolio has remained resilient, with five-year average returns of 6.2% to our Aboriginal and Torres Strait Islander co-investors.
- Our new residential development initiative helped 10 First Nations organisations move towards using their land to increase housing supply. There is significant potential to expand the number of communities we assist in housing development further in future.

We continued to offer natural disaster relief to our homes and business customers in need and stand poised to do this again in the future as and when required.

Customer satisfaction across all program areas was 90%, on average, and we continue to have a significant positive impact on the lives of our customers.

Earlier in the year we commenced the Social Enterprise Grant program with support from the Department of Prime Minister and Cabinet. The program funds social enterprises to provide business development, networking, and employment readiness opportunities for First Nations women.

We also started our deep dive study into the impact of home ownership amongst First Nations single parent and single carer families. The report will be launched in early 2024.

Collaboration helps us expand our impact. We have established new partnerships that will unlock more opportunities for Aboriginal and Torres Strait Islander people. In particular, I would like to comment on our mainstream banking panel partnerships that have provided a supported pathway to transition home loan customers to mainstream lenders.

We also have a working partnership in place with the National Indigenous Australians Agency, Indigenous Land & Sea Council and the Northern Australia Infrastructure Facility to jointly explore potential First Nations-led projects and opportunities in Northern Australia.

We are looking at opportunities with Export Finance Australia to collaborate with respect to the provision of finance products, including guarantees, to First Nations-

owned businesses in the export market. Indeed, next week we will be co-hosting an international trade event for First Nations business with Export Finance Australia and Austrade in Sydney as part of Indigenous Business Month.

We have strong systems and processes, a technically and culturally capable workforce, and a commercial focus.

Last year we launched our new core business system to deliver best practice service to our customers.

Our workforce consists of just over 200 staff with 27% identifying as Aboriginal or Torres Strait Islander, and an increased representation of women to 61%. This workforce comprises many talented banking and finance sector professionals who bring external best practice ideas to not only improve the services we deliver for our customers but also to develop our emerging talent with IBA.

I also note that IBA's Consolidated total assets now exceed \$2 billion, which represents significant growth from around \$1.5 billion just 5 years ago. This growth is testament to the IBA's Board's prudential governance of the organisation and sound management decision-making.

In September we released our new Corporate Plan 2023-24 and Strategy Towards 2028 with a sharper focus on Choice, Inclusion, Prosperity, and Excellence. We know that investing in these areas will ensure we continue to achieve positive impacts for our customers.

Our enabling legislation tasks us with building a significant financial asset. By having our 2028 strategic goal of growing our net assets to \$2.5 billion over the next five years, we will be able to support more than 10,000 Aboriginal and Torres Strait Islander people over that time.

In the year ahead we will undertake a Customer Needs and Impact Study, the first since the pandemic. We look forward to delivering products and services, informed by the results of that study, especially as they relate to financial wellbeing, increased economic participation, and greater economic independence.

While IBA is not an advocacy body, we do partner with Aboriginal and Torres Strait Islander people to promote their stories and amplify their voices through:

- our impact reports and policy submissions
- our communications channels and publications (such as our annual report and corporate plan)
- forums such as the Strong Women Strong Business network and

- through the co-design and delivery of our products and services.

As I referenced earlier, October is Indigenous Business Month and this year's theme is "To Gather Together". IBA is proud to be supporting several events throughout the month.

IBA has been a strong supporter of Indigenous Business Month since it was established in 2015. I am glad that it continues to grow, showcasing the incredible Aboriginal and Torres Strait Islander businesses and talent we have across Australia.

Thank you and I look forward to your questions.