

Committee Secretary
House of Representatives Standing Committee on Indigenous Affairs
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Canberra ACT 2600

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Dear Committee Secretary,

How the corporate sector establishes models of best practice to foster better engagement with Aboriginal and Torres Strait Islander consumers- November 2021

The NSW Aboriginal Land Council (**NSWALC**) is the peak body representing Aboriginal peoples across NSW. With over 23,000 members, NSWALC is the largest Aboriginal member-based organisation in Australia. NSWALC and the network of 120 Local Aboriginal Land Councils (**LALCs**) are not for profit organisations and are accountable to our communities. We work together with the NSW Coalition of Peak Aboriginal Organisations (**CAPO**) to advocate for Aboriginal rights in NSW.

Australia's largest corporations have committed to spend an extra \$3 billion over the next five years on deals with Aboriginal business owners¹. This commitment to enhancing engagement with Aboriginal businesses needs to extend to addressing the experiences of Aboriginal consumers in all aspects of engagement with Aboriginal and non-Indigenous led services.

Corporate sector meaningful engagement with Aboriginal consumers

Concerns have been raised regarding the transparency of pricing and services in various industries, with Aboriginal consumers being targeted and taken advantage of by deceitful advertisements or concealed costs.

Monopolies of services, particularly in some rural and remote regions, has resulted in minimal competition for funeral providers, and anecdotal evidence of price hiking when providers are made aware of NSWALC's Funeral Fund financial contribution. The lack of transparency surrounding costs of services has resulted in some families seeking funeral services to be overcharged or presented with previously unknown costs.

Cemeteries and Crematoria NSW (CCNSW) has begun consultations with Aboriginal peoples to determine the requirements of Aboriginal consumers and faults of cemeteries and crematoria providers. Authentic engagement with feedback from Aboriginal community must continue to ensure that the needs of consumers are genuinely being met.

Telstra has similarly been charged for misleading Aboriginal consumers, agreeing to pay \$50m in compensation for breaching consumer law by exploiting their monopoly of the market, as well as language and cultural barriers to mislead Aboriginal peoples into signing contracts they cannot afford².

Aboriginal consumers also report being misled by non-Indigenous companies wrongfully identifying as Aboriginal-controlled. The Aboriginal Community Benefit Fund (ACBF) was found to have deceived a policyholder to wrongfully believe their funeral plan was controlled by and sold for the benefit of

¹ Elmas, M., 2019. Entrepreneurs welcome \$3 billion pledge to help Indigenous business boom. Smart Company, Available at: <https://www.smartcompany.com.au/entrepreneurs/indigenous-business-supply/>

² <https://www.theguardian.com/business/2020/nov/26/telstra-to-pay-50m-compensation-for-exploiting-indigenous-consumers>

Aboriginal communities³. The ABCF unethically advertised the company as an Aboriginal-controlled not-for-profit, convincing Aboriginal consumers into a financial service that not only did not contribute to the community but would likely result in the consumer paying premiums that would exceed the benefits paid.

The magnitude of examples of unconscionable conduct indicates that the current regulatory system is not working.⁴ The COVID-19 crisis has shown that supporting communities in need can help corporations improve public perceptions of their brand and corporations are aware of this⁵. Best practice guidelines that have been designed with Aboriginal people present an opportunity for service providers to ensure that their engagement with Aboriginal consumers is meaningful, authentic, and addresses the needs of communities. Engaging with organisations like NSWALC's Yarpa's Indigenous Business and Employment Hub would provide service providers with needed guidance on how to best address the needs of Aboriginal consumers.

How to strengthen corporate sector cultural understanding

The recently released NSW Aboriginal Customer Engagement Strategy 2021 -2025 includes partnership with Aboriginal peoples as a means to ensure that service delivery is accessible, and the diversity of Aboriginal people, culture and communities and their needs is embraced and met by corporations.

Accountability must also be central to supporting meaningful change. There must be evidence-based, targeted approaches to increased and deepened Aboriginal consumer engagement⁶. A user-friendly consumer app or email address could be established for people to send evidence of price gouging to ensure there are multiple avenues for service providers to be held accountable.

Aboriginal customer-centric engagement needs to reflect the unique needs of each local community through the cultural suitability service delivery, and the tailoring of communications to be accessible and suitable for community. This involves employing training initiatives to equip employees with culturally suitable knowledge and service delivery training suited to local communities.

Enhancing opportunities for Aboriginal employment increases opportunities for greater cultural understanding within the organisation, and Aboriginal cultural supervision and mentors for employees could further enhance this knowledge development⁷.

Reconciliation Action Plans (RAPs)

Since its inception in 2006, over 1,000 organisations have become involved in the RAP program, covering 20 per cent of the national workforce⁸. While RAPs have made some progress, there is a long way to go to ensure that Aboriginal consumers are afforded opportunity for informed choice and

³ <https://www.sbs.com.au/nitv/article/2020/10/21/deceptive-funeral-insurer-forced-issue-refund-misleading-aboriginal-consumer>

⁴ <https://www.sbs.com.au/nitv/article/2020/06/16/system-error-blamed-high-priced-item-remote-indigenous-community-store>

⁵ <https://insidemcg.com.au/2020/05/04/how-supermarkets-are-winning-hearts-and-minds/>

⁶ <https://www.nsw.gov.au/sites/default/files/2021-08/aboriginal-customer-strategy.pdf> , p17

⁷ <https://www.nsw.gov.au/sites/default/files/2021-08/aboriginal-customer-strategy.pdf> p20

⁸ https://www.aph.gov.au/About_Parliament/Senate/Powers_practice_n_procedures/pops/Papers_on_Parliament_66/Reconciliation_Action_Plans-Creating_Shared_Value

consent when engaging with businesses. More must be done to improve the internal culture and processes of organisations.

The design of the RAP program presents the ability for organisations to create plans at four levels: Reflect, Innovate, Stretch and Elevate. It has been expressed that RAPs are sometimes seen to be a box-ticking exercise, with partnerships with Aboriginal peoples often unequal, and actual engagement in reconciliation practices may be minimal⁹. More must be done to incentivise progression through RAP levels so that organisations engaging in this program are genuinely making impactful change to their operations.

Within RAPs it is also important to ensure greater accountability and increased commitment to Aboriginal leadership in partnerships and their primary role in setting priorities. The capability for businesses to have a RAP and still engage with inappropriate and damaging interactions with Aboriginal peoples is exemplified throughout Aboriginal cultural heritage protections throughout the country. High rates of destruction of Aboriginal sites, both 'approved' and illegal, continues to cause deep distress within our communities. Rio Tinto's destruction of Juukan Gorge resulted in the suspension of the organisation from the Reconciliation Action Plan program after significant public outrage. More must be done to improve accountability mechanisms throughout the RAP process.

More must also be done to continue to improve institutional integrity both within and outside of RAP organisations. NSWALC supports reviews of the RAP program that call for greater emphasis on Aboriginal self-determination and decision-making throughout the process.¹⁰

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Yours sincerely,

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Yuseph Deen

Interim Chief Executive Officer

NSW Aboriginal Land Council

Date: 2 December 2021

⁹ https://www.reconciliation.org.au/wp-content/uploads/2021/02/State-of-Reconciliation-2021-Summary-Report_web.pdf p15

¹⁰ https://www.reconciliation.org.au/wp-content/uploads/2021/02/State-of-Reconciliation-2021-Summary-Report_web.pdf p17