

Community –owned Indigenous businesses and Indigenous co-operatives across remote, regional and urban Australia: The role and overall performance

Submission to the Senate Enquiry into cooperatives, mutual and member owned firms

This submission looks at the empirical data on community-owned Indigenous businesses and Indigenous cooperatives across remote, regional and urban Australia. It focuses on outlining the data about the role and overall performance of these Indigenous organisations.

The submission is based on the research project: ***DETERMINING THE FACTORS INFLUENCING THE SUCCESS OF PRIVATE AND COMMUNITY-OWNED INDIGENOUS BUSINESSES ACROSS REMOTE, REGIONAL AND URBAN AUSTRALIA***. The project was funded by Australian Research Council Linkage Grant (LP110100698). The chief investigators on that project were: Professor Mark Morrison (Charles Sturt University), Professor Jock Collins (University of Technology Sydney), Associate Professor PK Basu (Charles Sturt University) and Associate Professor Branka Krivokapic-Skoko (Charles Sturt University). The final report was submitted to the Australian Research Council in October 2014 as well as to the industry partners on this project – the Indigenous Business Australia (IBA) and Cultural and Indigenous Research Centre Australia (CIRCA).

As there has been almost no empirical research into Indigenous cooperatives and community owned enterprises across Australia we believe that the following summaries of some of the findings about their community contribution and overall performance will be relevant for the Senate Enquiry into cooperative, mutual and member owned firms.

This research is the first large-scale study that incorporates a systematic analysis of the issues facing different types of Indigenous businesses across different locations. It is the first large scale (324 Indigenous businesses) and national (covering Indigenous enterprises in urban, regional and remote areas of all states and territories of Australia apart from Tasmania) quantitative analysis of the contemporary Indigenous business enterprise landscape, with a major focus on micro, small and medium Indigenous private enterprises.

While Indigenous private enterprises were the main focus of that research, our research also included community-owned Indigenous businesses and Indigenous co-operatives. The attached document has been prepared for other purposes (submitted to the ARC and two industry partners) and includes the following sections:

- (a) Background
- (b) The key demographic characteristics
- (c) Industry category by region - the industry concentration of those Indigenous community owned and co-operative businesses.
- (d) Community contributions of Indigenous community owned and co-operative businesses
- (e) Support received in establishing Indigenous community owned and co-operative businesses
- (f) Employments provided by Indigenous community owned and co-operative businesses
- (g) Indicators of business growth

(h) Level of satisfaction with business

We would like to draw the Committee's attention to some key findings:

1. Community-owned Indigenous enterprises and co-operatives are motivated to achieve income and opportunity not only for themselves, but for their community. They generate significant social capital in their local communities, a contribution of Indigenous community owned and co-operative businesses entrepreneurship in Australia that is not sufficiently recognized and acknowledged.
2. Most Indigenous community-owned enterprises and cooperatives did not receive any support in establishing their business enterprise, though they were successful in subsequently applying for government support
3. Indigenous enterprises (including co-operatives) in Australia are critical to the creation of jobs for Indigenous men and women in Australia. The community-owned and Co-operative Indigenous enterprises surveyed predicted greater growth in Indigenous employment than did Indigenous private enterprises surveyed.
4. The majority of Indigenous enterprises surveyed demonstrate expansion across a range of business dimensions, but this is stronger in community-owned and co-operative Indigenous enterprises
5. Indigenous community-owned and co-operative Indigenous enterprises tend to be satisfied or very satisfied with their experience as entrepreneurs.

Yours sincerely,

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