



Australian Government
Indigenous Land Corporation

GM2008/97

12 February 2009

Ms Toni Matulick
Committee Secretary
Senate Select Committee on Regional and
Remote Indigenous Communities
Parliament House
CANBERRA ACT 2600

Dear Ms Matulick

Senate Select Committee on Regional and Remote Indigenous Communities

The Indigenous Land Corporation (ILC) notes the Select Committee's request for submissions on matters relating to regional and remote Indigenous communities, and welcomes the opportunity to provide input.

The ILC is a statutory authority of the Australian Government, established to assist Indigenous Australians to acquire and manage land to achieve economic, environmental, social and cultural benefits.

The ILC did not have any role in the Northern Territory Emergency Response and has no comment to make on its effectiveness.

In this submission, the ILC focuses on points (c) and (d) of the Terms of Reference, that is, the health and education of children in regional and remote Indigenous communities, and employment and enterprise opportunities for Indigenous people in regional and remote areas.

This submission provides:

1. A description of the ILC's land acquisition and land management programs, which contribute to the achievement of education outcomes for Indigenous students in regional and remote areas;

2. A suggested reform of the Community Development Employment Projects (CDEP) scheme to require the establishment of fresh fruit and vegetable gardens in each remote location that has an operating CDEP;
3. An overview of the activities currently undertaken by the ILC that contribute to Indigenous employment and enterprise development; and
4. A discussion of ways in which the Government and the ILC can further assist with employment and enterprise development.

1. ILC assistance in achieving education outcomes

Through a partnership with the Departments of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) and Education, Employment and Workplace Relations (DEEWR), the ILC committed \$20 million over three years to the development of four new boarding hostels for Indigenous secondary students in regional and remote parts of northern Australia, including at Weipa and three sites still to be determined in the Northern Territory. The ILC believes that, by providing appropriate facilities for students to engage in education, away from the distractions of their communities, it will help achieve longer term flow-on benefits, including increased employment and socio-economic development. The concept is for the ILC to acquire (or to be gifted) land and construct student accommodation that would be leased and operated by appropriate agencies.

2. Reforming CDEP to grow fresh fruit and vegetables

The ILC believes that, with the proposed restructure of the CDEP scheme, an opportunity arises for the program to focus more strongly on increased community health. An important aspect of this would be the requirement for each remote CDEP to implement a horticultural project to grow fresh fruit and vegetables. This activity would build knowledge and skills in sustainable horticulture, help ameliorate the prohibitive costs of fresh produce in remote locations and develop Indigenous enterprises. The concept would also provide much needed fresh produce in areas where Indigenous people, particularly children and expectant mothers, are suffering from poor diet and lack of nutrition.

The ILC has advised the Minister for Families, Housing, Community Services and Indigenous Affairs that it would be happy to work with the Ministers for Agriculture, Fisheries and Forestry and Education, Employment and Workplace Relations to bring the necessary expertise and funding required for these horticultural projects.

3. ILC programs that contribute to Indigenous employment and enterprise development

The ILC considers lack of employment to be the key factor in Indigenous socio-economic underdevelopment in many regional and remote communities. The ILC's *National Indigenous Land Strategy 2007-2012* identifies training delivery

and the creation of sustainable employment as important ways to increase Indigenous socio-economic development.

The ILC currently plays a significant role in increasing Indigenous employment and assisting with enterprise development in regional and remote Australia, through both its land acquisition and land management functions.

The ILC assists with Indigenous employment and enterprise development in three main ways:

- a) Acquiring and granting land to Indigenous organisations to achieve training and employment outcomes and enterprise development;
- b) Supporting property-specific and regional projects in collaboration with Indigenous landholders, other agencies and industry partners to develop land-based enterprises on existing Indigenous-held land; and
- c) Operating pastoral and tourism businesses on ILC or Indigenous-held land to provide training and employment to Indigenous people.

a) Acquiring and granting land

Each year the ILC calls for applications from Indigenous organisations to acquire land for the purpose of socio-economic development. These applications, which may involve the development of Indigenous businesses, are relatively assessed against criteria including the numbers of Indigenous people who will become employed or receive training on the property.

Applicants must demonstrate that their project will be financially viable and that they have the capacity to successfully implement it. The projected benefits are assessed to validate that they will be achievable and sustainable. To date, the ILC has acquired 117 properties in regional and remote Australia, totalling over five million hectares.

Applications that progress to the ILC Board are assessed relative to one another before final approval. The ILC does not privilege applications received from any particular region of Australia.

The ILC can also initiate acquisitions itself (either independently or in collaboration with other agencies) to create sustainable employment and income for Indigenous people in mainstream industry opportunities. For example, the ILC recently acquired a property at Mossman Gorge in far north Queensland, and is working with the Mossman Aboriginal community to construct and develop eco-tourism facilities on the site. When in operation, it will deliver 70 Indigenous jobs and provide significant flow-on benefits to the community.

b) Supporting property-specific and regional projects on existing Indigenous-held land

Through its land management function, the ILC funds Indigenous groups to develop business enterprises that are related to the use of Indigenous-held land. This includes projects such as the Dugong Beach resort on Groote Eylandt, which aims to give the Traditional Owners a sustainable economic enterprise beyond the life of the current mining activities. In future, it is predicted that the resort will employ 50 Indigenous staff.

The ILC also works in partnership with other agencies to fund regional projects that support the development of businesses and employment creation on under-utilised Indigenous-held land. The Indigenous Pastoral Program (IPP) in the NT and the Kimberly Indigenous Management Support Service (KIMSS) in WA are two examples of such projects. The IPP and KIMSS provide advice, mentoring, training and infrastructure development to assist Indigenous landholders to develop viable cattle stations.

c) Operating pastoral and tourism businesses

The ILC operates nine successful pastoral and tourism businesses in regional and remote parts of Australia that are delivering significant training and employment to Indigenous people. These businesses currently employ more than 200 Indigenous people in full-time and seasonal work and host 50 Indigenous trainees each year. The ILC is a signatory to the Aboriginal Employment Covenant and has committed to assisting 500 Indigenous Australians into employment over the next three years.

The ILC holds that the keys to the success of its employment and training model used on its businesses are:

- Industry-based training is integrated into the operations and work plan of the business
- Payment of industry-standard wages
- Provision of board and accommodation through residential facilities
- Training that follows the Australian Quality Training Framework and the new employability framework, and uses industry-certified, accredited courses and vocational and technical education
- Intense mentoring, including to facilitate placement into mainstream businesses and provide post-placement support

4. Opportunities and areas for improved training and employment outcomes

The ILC believes that a cooperative approach between the various Commonwealth and State/Territory government agencies, private enterprise, non-profit organisations and Indigenous groups is required to identify specific barriers to

employment for Indigenous people in local areas of rural and regional Australia, and test solutions to these challenges.

a) Training to Employment

The ILC believes that many of the elements of its training to employment model could be used successfully in other new enterprises developed in partnerships between Indigenous organisations and mainstream companies. These partnerships will be particularly important in remote areas where there are currently under-developed labour markets and often limited capacity to develop viable businesses.

Government agencies and bodies in remote and regional Australia should develop training and employment strategies in collaboration and agreement with local communities. Allocated budgets should be linked with these strategies specifically to support Indigenous trainees. Such strategies would incorporate extensive training linked to job placement opportunities in regional industries, which would be part of an overall national training and employment strategy in rural and remote areas.

Government bodies should also proactively assist businesses to develop their own Indigenous traineeship programs and apprenticeship positions. Incentives for businesses to engage with local Indigenous communities could include measures such as a tax-free status for Indigenous traineeship or apprenticeship programs.

b) Market development

The ILC believes that Indigenous training programs are genuinely effective only where there are clear employment opportunities for trainees upon completion. In many regional and remote parts of the country, there is an absence of an adequate labour market within which Indigenous people can find meaningful employment.

Therefore, the ILC is committed to working with government, private industry and other organisations to develop enterprises and labour markets in areas where markets are under-developed. The ILC believes that a strong, combined effort is required in order to identify and take advantage of opportunities for market development where they arise.

c) CDEP reform

The ILC welcomes the Government's program of reform for the CDEP Scheme.

The focus of CDEP should be on training for work-readiness, creation of employment in the region, and transition to employment positions. CDEP should be integrated with regional training and employment strategies to provide long-term employment opportunities.

The ILC Board believes CDEP is unnecessary in locations where jobs are available and that income support payments should be activity tested to ensure that Indigenous people in rural and remote Australia take advantage of the employment opportunities presented by the ILC and other mainstream industries.

Summary

The ILC is committed to working in collaboration with the Government to achieve better employment and enterprise development outcomes for Indigenous Australians.

I look forward to hearing the outcomes of the current inquiry and any reform of current programs and Government processes that will assist Indigenous Australians to develop viable and sustainable enterprises in regional and remote Australia.

I would be pleased to meet with the Select Committee to discuss the ILC's training and employment initiatives and viable business development models in greater detail and answer questions from Committee Members in order to facilitate opportunities and outcomes for Indigenous Australians.

Yours sincerely

A handwritten signature in black ink, appearing to read 'David Galvin', with a large, sweeping flourish at the end.

DAVID GALVIN
General Manager