

# **MAKING FAMILIES AND COMMUNITIES STRONG THOUGH SMALL BUSINESS**

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This thesis is submitted as part of the requirements for Bachelor of Science (Honours) in the Institute for Sustainability & Technology Policy, Division of Arts, Murdoch University.

I hereby declare that this dissertation is my own work and the main component is work that has not been submitted for a degree at any other tertiary education institution.

Please note that I have used both of the terms Aboriginal and Indigenous. Where the term Aboriginal is used I am specifically referring to Aboriginal people and where the term Indigenous is used I am referring to Aboriginal and Torres Strait Islander peoples. I make this distinction because generally I talk about Aboriginal history and Aboriginal affairs.

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## Abstract

There have been many programs, strategies and policies regarding Indigenous affairs, developed over the years, all with the aim of improving the status of Indigenous Australians. Many of these have been identified in this research from education policies that enable individuals to develop the basic skills of reading and writing and doing and understanding mathematics to Indigenous Economic Development Strategy. The perspective of improving the economic status of Indigenous people has been explored in this thesis through identifying:

- ◆ What are the key business success factors for existing remote businesses;
- ◆ What are the key linkages between social and commercial motivation and outcomes in enterprises involving Aboriginal people;
- ◆ What support has been provided by service agencies and how effective has this support been;
- ◆ What are the sustainability factors and what are the cultural implications of sole operations versus family operations; and
- ◆ How small business contributes to making family and communities strong through business.

It seems that there has been little change from what was stated in submissions to the Standing Committee on Aboriginal and Torres Strait Islander Affairs in 1998 to the submission of the Indigenous Business Review in 2003 to what was being expressed by the two case studies used in this research. Areas that are crucial to good business development and sustainability seems to continue to be elusive to government departments and the following areas seem to pervade Indigenous businesses;

- ◆ business facilitators lack business expertise,
- ◆ no monitoring or follow-up support to businesses
- ◆ government processes take an inordinate amount of time to approve funding which disadvantages Aboriginal people,
- ◆ the need to streamline government programs into a 'one stop shop' to effect a more efficient process,
- ◆ links to the private sector must be strengthened, and
- ◆ training in business skills and knowledge.

Key business success factors depend on these areas being addressed by those government departments who have a mandate for assisting the development of Indigenous business. If all of these points were implemented it would certainly go a long way to improving their dealings with Indigenous businesses and it could be assumed that there would be a lot more successful businesses.

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# 1. INTRODUCTION

This thesis explores Aboriginal business and how from a hunter-gatherer society, Aboriginal people have adapted reasonably well to a “capitalistic” way of doing business. It will examine two case studies; a sole operator and a family run business both operating in remote areas. The purpose of this study is to find out:

- ◆ What are the key business success factors for existing remote businesses;
- ◆ What are the key linkages between social and commercial motivation and outcomes in enterprises involving Aboriginal people;
- ◆ What support has been provided by service agencies and how effective has this support been;
- ◆ What are the sustainability factors and what are the cultural implications of sole operations versus family operations; and
- ◆ How small business contributes to making family and communities strong through business.

## 1.1 Introduction of Aboriginal People to the Australian Economy

It is important that I provide an introduction into Aboriginal affairs here to give those readers who do not possess prior knowledge of this area to gain an understanding of the policies and programs that have shaped and impacted on the lives of Aboriginal people. Much of the information presented here will be expanded upon in the literature review.

Prior to European settlement of Australia, Aboriginal people enjoyed a way of life that was well organised and structured. This was manifest in their hunting and gathering and manufacturing of tools, weapons and other artefacts. They also had extensive knowledge of the country and a culture that involved a kinship system that was complex. Everyone was expected to make some contribution to the livelihood of the community and therefore everyone gained skills and knowledge. This was hands on everyday survival learning with family and community. The arrival of the pastoralists saw the undervaluing of these skills and knowledge. Their idea was to produce goods for profit in an external market not self-sufficiency such as that of the Aboriginal economy. They saw land as a commodity that could be used for production and could be bought, owned and sold. The removal of control of land and its resources from Aboriginal people meant that Aboriginal people were left with very little choice but to enter into a new economic relationship where they became an employee or hired hand. This same scenario was played out wherever European settlement occurred destroying the delicately balanced economy of the Aboriginal people. Their dispossession and dispersal affected their religiously based view of the world and therefore their capacity to resist. This marked the beginning of Aboriginal peoples' introduction to employment in Australia. Many were employed in the rural industries where they were used

to muster and drive sheep and cattle and as labourers at mustering or shearing times. They also worked in other industries such as forestry, fishing and pearling. Their wages was usually food and other goods. In many areas their transition from hunter-gather to employment was quite rapid as they were the only labour source available. Many found themselves in seasonal and casual employment as stockmen, ringers, farm hands, fruit and vegetable pickers, cooks, pearl divers, pearl shellers, timber workers and as general labourers. There were some who were self employed as doggers, contract shearers, fencers and sugarcane cutters. Then there were a few who established themselves as farmers who employed other Aboriginal people. But employment and self-employment for Aboriginal people didn't last as the preference was still for non-Aboriginal employees and contractors and with increasing pressures from non-Aboriginal people for access to land and government policies for protection and welfare, Aboriginal people suffered. There were times however when non-Aboriginal labour was scarce and Aboriginal people were employed to fill the gap such as during the years of the gold rushes and World Wars.

During the nineteenth century Aboriginal workers were paid in the form of rations and other goods such as blankets. In the 1920s cash payment was made to seasonal and casual workers however not the same rate as for non-Aboriginal workers.

*The situation of lower rates of pay for Aboriginal people continued in some areas until after World War 11, and in some reserves into the 1980s.*

*..... Despite the limited payments or "pocket money" under the Wards Employment Ordinance in the 1950s, exploitation of Aboriginal labour continued up until 1968 when Aboriginal people were included in the Cattle Station Industry (Northern Territory) Award and the Federal Pastoral Industry Award. Since the late 1960s the number of Aboriginal people employed on pastoral properties (along with other seasonal workers) has dropped dramatically partly as a direct consequence of labour shedding after the 1968 Awards. (Miller p29)*

The 1930s saw the effects of the depression and drought and together with the government policies of the day, Aboriginal people were further marginalised as they were relocated to missions and reserves and effectively removed from opportunities to participate in the work force. And while this gave them some protection from hardships it marked the beginning of welfare policies and practices. It didn't however stop people from seeking employment as people left these institutions when work was available to them and when there wasn't the population number increased. Aboriginal people soon learned that employment was important and many travelled well outside of their 'country' to find it. I remember my Mother relating an incident that happened when she was young. She said that her Father left his family to find work as work at that time declined in the Gascoyne region. He told them he was going to head south to some gold fields he had heard about, where people were making a lot of money. While he was away my Grandmother worked as a cook, cleaner, bean picker and any other job she could get to support her family. My Grandfather was gone for about three years so my Grandmother

went to the 'welfare' to see if they could locate him. After quite some time they finally found him outside of Kalgoorlie working in a mine. He reunited with the family and lived out his days working throughout the Gascoyne/Murchison region.

In the ensuing years there were various programs developed to assist Aboriginal people into training and employment. The Aboriginal Employment Section (AES) was set up in 1969 to enable it and the Commonwealth Employment Service (CES) to provide a better service to Aboriginal clients. The Employment and Training Scheme for Aboriginals (ETSA) was set up in the same year with an emphasis to provide on the job training to Aboriginal people. As part of the AES Vocational Officers were appointed to major centres to assist Aboriginal people. Later Assistant Vocational Officers were appointed to strengthen the service to Aboriginal clients.

In 1980 the Aboriginal Development Commission was established as a statutory body to further the social and economic development of Aboriginal people. It took over the enterprise and land and property acquisitions programs from the Department of Aboriginal Affairs (DAA). Their role became very important to Aboriginal people especially those living in remote locations who lacked the economic base to participate in economic activity. They also played a large role in the purchasing, establishment and development of enterprise.

In 1984, the Committee of Review of Aboriginal Employment and Training Programs was appointed to examine all Commonwealth Aboriginal employment and training programs to determine if they were meeting the needs of Aboriginal people and if a more effective strategy could be developed to improve the employment situation. In 1985 the Report of the Committee or the Miller Report as it became commonly known, documented the low levels of disadvantage of Indigenous people and made recommendations for change. An important component of the report was dedicated to addressing the need for Indigenous peoples to access the labour market via Indigenous businesses. It recommended the ADC become more proactive in terms of working with the Commonwealth Development Bank to enable Aboriginal people to draw upon its resource, skills and experience.

In response to the Miller Report the Aboriginal Economic Employment Development Policy (AEDP) was developed and launched in 1987. All of ATSICs employment and economic development programs were conducted under the AEDP. These included the Training for Aboriginals Program, Community Development Employment Projects and the Business Funding Scheme. The aim of the AEDP was to achieve Indigenous employment and income equity, in line with the wider Australian community, by the year 2000.

Programs with the aim of assisting Aboriginal people to access training and employment were introduced. The Training for Aboriginals Program (TAP) was established in 1980 to get Aboriginal people into employment. Part of TAP was the employment orientated training program that involved on and off the job training. The Community Employment Program (CEP) was introduced

in August 1983. The objective of the CEP was to assist those who were the most disadvantaged by unemployment to obtain permanent employment. Both these programs were administered by the Department of Employment and Industrial Relations (DEIR).

One of the most enduring programs was the Community Development Employment Program or CDEP as it is nationally known was established in response to requests from Aboriginal communities for an alternative to unemployment benefits. It was introduced as a pilot program in one community in 1976 to provide work opportunities to Aboriginal people living in remote areas. By 1981-2 the number involved with CDEP increased to eighteen, in 1984-5 this number increased to thirty two. The communities requested the CDEP and they decided what programs they wanted. Programs under CDEP included sport and recreation programs, food production, support structures for pastoral enterprises, operation of essential services and housing. The CDEP became one of the biggest programs for the Department of Aboriginal Affairs (and later ATSIC and now DEWR) that was established in 1972 to develop policies for Aboriginal people. Over the years the CDEP has undergone various reviews and it continues to operate in many communities. However over the last few years the Government has proposed changes in Aboriginal Affairs especially the CDEP where it will be abolished in urban and major regional centres and replaced with the Structured Training and Employment Projects (STEP).

The late 1980s and 1990s saw great changes in Indigenous affairs. The following events rekindled peoples' thinking about the disadvantage and status of Indigenous peoples in terms of reconciliation and social justice. The government instigated new ways of working with Indigenous peoples.

- ◆ Between October 1987 and November 1990, the Royal Commission into Aboriginal Deaths in Custody investigated the deaths of ninety nine persons in police and prison custody.
- ◆ In 1991 the Council for Aboriginal Reconciliation was established as a Statutory authority to commence the reconciliation process by addressing Indigenous disadvantage in land, housing, law and justice, cultural heritage, education, employment, health and economic development leading up to the centenary of Federation, 2001. The enactment of the legislation was due to recognition that Australia was occupied well before British settlement on 26 January 1788 at Sydney Cove and that many Indigenous peoples suffered dispossession of their lands. It was desirable that reconciliation between Indigenous peoples and other Australians take place before the centenary of federation.
- ◆ In 1992 the Murray Islanders led by Eddie Mabo were granted Native Title to their lands.

Then in 2000 onwards other strategies and policies were adopted such as:

- ◆ Indigenous Business Australia was established by the Aboriginal and Torres Strait Islander Commission Amendment Act 2001, which came into effect on 17 April 2001. Indigenous Business Australia extended on the

role of the former Aboriginal and Torres Strait Commercial Development Corporation (CDC). Indigenous Business Australia was originally created to assist and enhance Aboriginal and Torres Strait Islanders' economic advancement, primarily through facilitating Aboriginal and Torres Strait Islander equity involvement in sound commercial ventures. Under the enabling legislation, Indigenous Business Australia is required to meet this role by accumulating and using a substantial capital asset. The Act specifically requires that IBA engages in commercial activities.

- ◆ In April 2002, the Council of Australian Governments (COAG) agreed to trial working together with Indigenous communities in up to ten regions across Australia to provide more flexible programs and service based on priorities agreed with communities in those regions. The trial is informed by two principles:
  - \* responsibility for the condition and well being of Indigenous communities is one shared by the community, its families and individuals and with governments called a Shared Responsibility Agreement (SRA).
  - \* communities and government will need to change their current approaches by building their capacity in different ways to be able to deliver on the SRA.
- ◆ In 2003 the report of the Indigenous Business Review, Report on Support for Indigenous Business was completed. The Report examined Indigenous business in the public and private sectors, identifying barriers to Indigenous business development and how these could be overcome by programs supported by the government.
- ◆ In 2003 the review of ATSIC was undertaken.
- ◆ On 15 April 2004 the Australian Government abolished ATSIC and new arrangements in Indigenous Affairs became effective from 1 July 2004.
- ◆ In 2005 the Office of the Registrar of Aboriginal Corporations (ORAC) reviewed its training and found the training was working well, contributing to safer communities and building Indigenous wealth and employment. The program improves the social capital of corporations, and is having sustained environmental, cultural, social and economic impacts. Graduates stated the skills and knowledge gained lead to a transformation in the way in which they understood their roles and responsibilities and had equipped them with the necessary skills to perform their core functions effectively and efficiently'.

Over recent years the number of Indigenous businesses has increased. Through the experience of this researcher and her networks, in Western Australia alone Indigenous peoples have established businesses in the transport, tourism, mining, arts and craft, pastoral, retailing and earthmoving industries. Many Indigenous individuals, families and communities have opted for self employment rather than remaining in low level public service positions where the majority of Indigenous peoples are employed.

## **Limitations of this Thesis**

As an honours thesis there is only so much that can be related in terms of research that has been undertaken. Indigenous business has flourished in recent years and deserves a more in-depth research than can be presented here. For instance, a comprehensive comparative study of Indigenous social business and Indigenous economic business would be valuable information for Indigenous businesses to show that both can be successful however there are certain parameters that need to be recognised and practiced religiously to ensure success. This is supported in the two case studies used in this research.

Another area I think merits research is the initial processes of establishing a business. This research shows that where businesses in the private sector attempt to establish a business partnership with an Aboriginal organisation or community, government bureaucratic red tape retards the process and disadvantages many Aboriginal people who want to seize a business opportunity but have to wait an inordinate amount of time for approval for funding or resources from government. It took Bulldog's Dozer Hire two years for approval for funding to purchase machinery before commencing the business. It then took a further eight years before anyone decided to visit the business to assess its progress.

## 2. LITERATURE REVIEW

### 2.1. HISTORICAL BACKGROUND

Since colonisation Aboriginal people have found themselves captives of research and policies that have done little to advance their status and well-being other than to ensure the embedding of the welfare cycle in the Aboriginal psyche. Colonial settlement, left Aboriginal people dispossessed with only two courses open – pauperism and clash (AP Elkin). The land was usurped by the settlers and Aboriginal people found themselves cut off from hunting grounds, food gathering areas and areas used for social and ceremonial occasions. They tried to trade with the invaders but this proved useless with them subsequently resorting to spearing cattle which made sense to the Aboriginal people but to the settlers it was seen as stealing. Clashes ensued and battles were fought with spears versus rifles. During the 1930's it was thought that the Aboriginal people would not withstand the impact of settlement, introduced diseases and despair so a policy of "Smooth the Dying Pillow" was adopted; the move to extinction should be made easy. The dispossession of land, the cutting off of trade routes and the herding of people onto missions and reserves marked the beginning of poverty and the disintegration of Aboriginal society and therefore Aboriginal culture and language.

But nobody recognised the resilience of Aboriginal people and their ability to adapt. In the case of Aboriginal people who found themselves on stations:

*Their position, however, was servile. In the course of a couple of generations station Aborigines had woven station activity and certain European goods into their social and economic organisation and into their psychology ..... they were wholly dependent on employment on the station for their material and psychological well-being. (Elkin1974)*

Even though Aboriginal people were able to adapt to certain situations and the 1967 Referendum recognised them as Australian citizens, this didn't improve their situation in fact it enhanced their position as a marginalised, disadvantaged and to a great extent invisible people.

*Current socio-economic indicators leave no doubt about the fact of Indigenous Australians' disadvantage, despite increasing economic achievements and successes. It is also a fact that this disadvantage exists largely because for most of Australia's history since 1788 Indigenous Australians have been treated unjustly, deprived of many basic human rights and excluded, through laws and actions of government, from mainstream society and its economic opportunities. Legislation that discriminated on the basis of race and administrative policies that restricted the rights and freedoms of Indigenous Australians operated until the 1970s. (CFAR)*

The last two decades however, has seen an increase in the number of Aboriginal people gaining economic security not only in their own communities but on a National and International level. The most prominent are those involved in the arts, entertainment and sport. Then there are those who have gone on to further education and training and are employed in professional positions throughout the country. The 1991 census shows there has been a marked increase in all socio-economic indicators. The establishment of land councils, Aboriginal medical services, and services such as legal, media, housing and education in the 1960s has provided culturally appropriate services and some control to Indigenous people.

In recent years many Aboriginal people have thrown off the shackles of welfare dependency and have established their own enterprises however this number is small and the two case studies that will be presented as part of this paper will highlight the difficulties and pressures of “Indigenous business” and the need for supportive policies.

Aboriginal people however are no strangers to business as trade was part of their lives, trading with other groups as well as overseas groups such as the Macassans in the North of Australia and the Torres Strait Islanders. Bourke tells us that the people traded from one end of the country to the other usually on the boundaries of the group concerned. There were even exchanges between hostile groups where one group placed their goods at a certain spot and withdrew while the another group placed their things there. The goods were examined separately and if they liked what they saw the goods were exchanged.

Each group kept in touch with the groups on the boundaries of their country but the trading went further afield to distant groups. This was done though

*For example, there is the Cooper’s Creek trade in Central Australia. Here, the Yantruwuntu tribe received shields from their neighbours who got them from the north east. In exchange the Yantruwuntu gave weapons they had made and grinding stones they had got from the south.*

The trade routes were very important as they were said to be the tracks which the Dreamtime ancestors used to travel the country.

Today, with the diversity of lifestyles some Aboriginal people “trade” according to mainstream values with economic returns where as for others the material benefits have limited cultural relevance.

## **2.2. REPORTS, STRATEGIES, PROGRAMS AND POLICIES**

**2.2.1.** The Community Development Employment Projects (CDEP) scheme was initiated in 1977. It gave unemployed Aboriginal people the opportunity to work in community managed projects and enterprises. It was also a mechanism for people to acquire training and skills. The

government of the day said it was initiated in response to demands from remote communities wanting to combat the effects of entrenched unemployment, although many Aboriginal and non-Aboriginal people said it was to make the employment figures look good. To participate, people had to forgo their entitlements to Newstart or Job Search. In exchange ATSIC made grants to CDEP organisations to assist with project administration and capital works. This arrangement challenged mainstream assumption that the only future for Aboriginal people lay in becoming fully integrated into mainstream labour and capital markets. The recent changes to CDEP however means that in some areas Indigenous peoples will indeed be participating in mainstream programs, the success of which remains to be seen.

The abolition of ATSIC has seen the CDEP move to DEWR where further changes to the CDEP have occurred involving the abolition of CDEP programs in suburban and major regional centres throughout Australia. In Western Australia Perth, Broome, Albany, Bunbury, Kalgoorlie and South Hedland CDEP will be abolished. These locations were selected on the basis of population size, unemployment rates and availability of other employment services in the area. The reasons for this is given in the Indigenous Potential Meets Economic Opportunity Discussion Paper 2006, Questions and answers:

*Results from both mainstream and Indigenous specific services have improved over the last few years but there is room for further improvement – approximately 5 per cent of the people moving through CDEP in 2005-06 were recorded as achieving employment off CDEP. Further, outcomes from CDEP appear to be growing faster in remote areas than in urban areas. A new approach is required to improve performance particularly in urban and major regional centres with strong labour markets (p2).*

Wherever CDEP is Abolished the Structured Training and Employment Projects (STEP) will be available to Indigenous people. The STEP will be enhanced to cater for individuals not ready for training or job placement. The new STEP brokerage model will operate in urban and major regional centres throughout the country during 2007-09. The timeline set for these changes are as follows:

- ◆ November 2006 – Consultation begins
- ◆ December 2006 -Consultation feedback and submission period closes.
- ◆ January 2007 – CDEP guidelines for 2007 – 08 published  
CDEP e submission process opens for locations where CDEP will be retained  
call for expressions of interest to deliver the STEP brokerage  
transition period for CDEP participants to STEP or other services such as the Disability Employment Network (DEN) or the Vocational Rehabilitation Service (VRS).

- ◆ Late February 2007 – CDEP e-submission and STEP brokerage expressions of interest closes
- ◆ March/June 2007 - CDEP funding submissions assessed and negotiated and STEP members advised.
- ◆ 30 June 2007 - CDEP funding to all suburban and major regional centres ceases.
- ◆ July 2007 - CDEP 2007-08 commences  
Step brokerage contracts commence

These changes have been initiated by the New Arrangements in Indigenous Affairs and the governments move to focus on economic development. The Hon Kevin Andrews MP, Minister for Employment and Workplace Relations in his forward to Indigenous Potential Meets Economic Opportunity, Discussion Paper, November 2006 states,

*With strong labour markets and emerging labour shortages we should be making the most of opportunities to place more Indigenous people into jobs in urban and major regional centres across Australia.*

*Over the last few years reforms to the Community Development Employment Projects (CDEP) programme have meant that more than 3,700 CDEP participants moved off CDEP and into employment in 2005-06. While this is a good result it represents only around 5 per cent of all the people who move through CDEP in that period.*

*The Australian Government believes that a more employer-focused job brokerage approach would further increase employment outcomes for indigenous people particularly in urban and major regional centres where the labour market is very strong.*

*The approach used in this paper aims to increase employment outcomes for Indigenous people and contribute to economic independence so they, like other Australians, can share in the benefits of this country's economic success. The approach would strengthen the Government's special efforts and resources to reduce Indigenous disadvantage.*

It seems to this researcher 'if its not broke why fix it?' These changes to CDEP also means that those projects generating income and businesses initiated through CDEP would be affected.

**2.2.2** In 1985, the government of the day appointed Mick Miller to head a federal committee to review employment, education and training for Aboriginal people. The Committee of Review of Aboriginal Employment and Training Programs 1985 or the Miller Report as it became commonly known, identified the failings of past policies and programs through extensive consultation with various government departments and organisations around the country and through submissions from all sectors of the community. It documented the low levels of disadvantage of Indigenous people and made recommendations for change. It showed that if education and training for Aboriginal people were

improved racism, cultural difference and geographic isolation would be overcome. It pointed out that:

*Low completion rates have considerably exacerbated Aboriginal employment difficulties and have resulted in a relatively low number of Aboriginal people being able to go on to tertiary and further education (p197).*

**2.2.3.** In response to the Miller Report the Aboriginal Economic Employment Development Policy (AEDP) was developed and launched in 1987. All of the former ATSIC's employment and economic development programs were conducted under the AEDP. These included the Training for Aboriginals Program, Community Development Employment Projects and the Business Funding Scheme. The aim of the AEDP was to achieve Indigenous employment and income equity, in line with the wider Australian community, by the year 2000.

**2.2.4.** In 1987 the Commonwealth, with the States and the Northern Territory established the Royal Commission into Aboriginal Deaths in Custody. The Commission held a national inquiry into a number of issues relating to the deaths in custody of Indigenous Australians. In essence it supported the findings of the Miller Report where it found Aboriginal people were educationally disadvantaged, unemployment was high and their welfare threatened by their social and economic status. There were 339 recommendations and all governments supported and committed to implement them, each were required to report on the implementation of recommendations pertaining to their area such as justice, housing and health.

Recommendations 300 to 320 involved increasing economic opportunity for Aboriginal people. It identified several programs that had been set up in response to RCIADIC such as:

- ◆ Aboriginal Resource Initiative (ARRI) program that assisted Indigenous peoples to participate in activities involving wild animal resources, rural development, bush tucker, value adding and employment.
- ◆ Contract Employment Program for Aboriginals in Natural and Cultural Resource Management (CEPANCRM) program was conducted through the former Australian Nature Conservation Agency (ANCA) to encourage Indigenous peoples to participate in natural and cultural heritage management.
- ◆ Cultural, Rural and Tourism Industry Strategies program was initiated to strengthen Indigenous peoples participation in the pastoral/rural industries and tourism.
- ◆ Community Economic Initiatives Scheme program assisted Indigenous peoples to contribute to economic growth through the establishment of income generating activities.
- ◆ Community Development Employment Projects (CDEP) was set up to create a range of employment opportunities for Indigenous peoples in areas where there is no or very limited employment prospects.

- ◆ Inwork Traineeship Program was aimed at Indigenous youth including juvenile youth. It provided on and off the job training to enhance participants' employment prospects and self - esteem.

**2.2.5** The National Aboriginal (later called Indigenous which includes Torres Strait Islanders) Education Policy was developed in 1989. It represented a concerted effort by the Commonwealth, State and Territory governments to improve educational and training opportunities and outcomes for Aboriginal people. The NAEP aimed to respond more effectively to the needs and aspirations of Aboriginal people and to redress education inequalities. It had four main purposes:

- ◆ to ensure Aboriginal involvement in educational decision making;
- ◆ to provide equality of access for Aboriginal people to education services;
- ◆ to raise the rates of Aboriginal participation in education to those for all Australians; and
- ◆ to achieve equitable and appropriate educational outcomes for Aboriginal people.

These were underpinned by 21 long - term goals that formed the framework for educational planning, financial resourcing and monitoring and reporting on progress of achieving the goals by each State and Territory.

The NAEP was the result of an Aboriginal Education Policy Taskforce chaired by Paul Hughes. It drew together all the findings from various reports including the Miller Report and the 1985 Report on Aboriginal Education. They too found that Aboriginal people were the most educationally disadvantaged group in Australia and therefore recommended a National Aboriginal education Policy.

**2.2.6. Indigenous Business Review: Report on Support for Indigenous Business 2003** was established to examine the support for Indigenous business across non-government and government sectors, and identify how barriers to Indigenous business development could be overcome by Commonwealth sponsored programs. The review was asked to propose a framework for the Commonwealth to best stimulate Indigenous business and address gaps in Indigenous business support (IBR p9).

The review found that there was little data collected on Indigenous business and very little monitoring of performance of programs. It found the programs were rarely linked to other programs offered by other agencies. It found the former ATSIC was the biggest offender with a high rate of default loans suggesting loan disciplines weren't being applied and there was no encouragement of viable businesses. They provided funds for project development but this was on an ad hoc basis. There was also little evidence of implementing strategic economic development plans.

The review found the IBA operated more stringently which brought criticism from the Indigenous community however, the IBA is a

statutory corporation and is subject to reporting accountability and operates under corporations law. The operations of the ILC were also examined and the review found it was aware of its shortcomings and was willing to address them such as when the review suggested the *'..... ILC should not look to other programs to provide capital. ILC also needs to ensure sustainability if the assets are not to become a burden on the land fund in future years. (The ILC advised) that it will principally look to its own resources, or leasing out properties to the private sector, to fund capital expenditure. ((IBR p37).*

It found the ILC Board was possibly a good model as its membership comprised both Indigenous and non-Indigenous people with private sector experience.

DEWRs programs were examined and it was a concern to the review that they were running programs similar to programs offered through other government agencies. Indigenous Business Australia was set up to assist and enhance Indigenous business, the Business Enterprise Centres (BEC) and the Area Consultative Committees (ACC) offered similar services yet DEWR offered the New Enterprise Incentive Scheme (NEIS) that helps people to start and run their own businesses, Indigenous Capital Assistance Scheme (ICAS) that involves the business and financial sectors to support Indigenous business, the Indigenous Self Employment Program (ISEP) that assists Indigenous people establish small businesses and the Indigenous Small Business Fund (ISBF) that provides funding for the development and expansion of Indigenous businesses. This together with the enormous amount of time it takes to assess funding applications leaves people frustrated especially those in the private sector who want to establish partnerships with Aboriginal organisations and businesses and Aboriginal people wanting to set up their own businesses.

Regional development was another area explored by the review where it was found the Regional Development Council Indigenous Action Plan identified:

- ◆ *investing in leadership and capacity building initiatives; and*
- ◆ *forging greater links between the business sector and Indigenous communities to promote economic independence (IBR p39).*

but there was no strategies identified to execute these actions. This was their contribution to the COAG Action Plan.

It found the National Executive of Small Business of Australia (NESBA) favoured ' a more cooperative and client focussed approach to the delivery of services of the agencies to Indigenous Australians' (IBR p 39). The NESBA supported a mainstream approach where mainstream programs could be adapted to suit the needs of Indigenous peoples including a 'one on one' approach.

The review looked at the Council of Australian Government (COAG) and its acknowledgement of the need for a more coordinated approach in Indigenous affairs based on shared responsibilities and

partnerships with program flexibility and outcomes with one of its priorities being promoting Indigenous business through the business sector. Over the last couple of years COAG has implemented the whole of government approach in selected communities throughout Australia, better known as the COAG trials based on priorities agreed with communities.

*Lessons emerging from the COAG trials have helped to shape the new arrangements. The trials are demonstrating the need for effective implementation of shared responsibility principles; the importance of building capacity and effective governance in communities; the need to strike a balance between driving change and allowing change to happen at its own pace; and that sustainable change takes time*

*Key objectives for the COAG Trial in Indigenous communities are to:*

- tailor government action to identified community needs and aspirations;*
- coordinate government programmes and services where this will improve service delivery outcomes;*
- encourage innovative approaches traversing new territory;*
- cut through blockages and red tape to resolve issues quickly;*
- work with Indigenous communities to build the capacity of people in those communities to negotiate as genuine partners with government;*
- negotiate agreed outcomes, benchmarks for measuring progress and management of responsibilities for achieving those outcomes with the relevant people in Indigenous communities; and*
- build the capacity of government employees to be able to meet the challenges of working in this new way with Indigenous communities. (IBR p 40)*

The review examined the involvement of Indigenous business in the private sector and found there was very little involvement. The review stated 'There appears to be a willingness on the part of the private sector to act as knowledge partner in joint ventures, but only where the prerequisites of a business purpose and a perceived appropriate return are apparent. The private sector preferred dealing through Indigenous intermediaries'. (IBR p10) It found that Indigenous business people preferred this arrangement as well, as they received the necessary intensive assistance on a more cost effective basis than high cost consultants and business facilitators provided by the government who did not have the business quality or expertise. A friend of this researcher was provided, by ATSIC, with a non-Indigenous business consultant when she began her business and found that she knew more about developing a business plan than the consultant. The IBR (p29) reports on another case where *the business facilitator billed ATSIS \$50,000 to write a business plan for a \$50,000 loan. The loan was then rejected. In another case a business funded by ATSIS was*

*struggling. ATSI spent \$50,000 on a business facilitator to examine the problem. The business still continues to struggle.*

It found the banks were just as reluctant as the private sector to provide business finance to Indigenous business. Westpac is one of the few banks that has a partnership with DEWR. They offer financial and advisory support to Indigenous business. The types of finance available are Business Options Overdraft, Business Development Loan and Equipment finance. Eligibility is determined on the following:

- ◆ *have an ABN;*
- ◆ *Be at least 51% Indigenous Australian owned (for companies this refers to shareholders), or for a partnership of two people, have at least one partner who is an Indigenous Australian;*
- ◆ *Have at least 50% Indigenous Australian employees;*
- ◆ *Utilise funds for the establishment of a new business, expansion or acquisition of an existing business that will lead to an increase in Indigenous employment;*
- ◆ *Conduct a lawful business that does not involve the sex industry, or the production and distribution of pornography, and that is not culturally or socially inappropriate in the relevant local community;*
- ◆ *Not to be insolvent or in undischarged bankruptcy; and*
- ◆ *Have total business debt liabilities (including ICAS finance) that do not exceed \$500,000 at any one time. (Westpac website)*  
(note: ICAS – Indigenous Capital Assistance Scheme – is administered by DEWR)

Those who did provide finance such as the IBA, Land Councils and to a certain extent the ILC, sought opportunities to link businesses to larger developments such as a resource or licence.

The review found the wealth gap between Indigenous and non-Indigenous people was significant with Indigenous people earning less than 60% of the median weekly income. Home ownership was also significantly lower for Indigenous people compared to non-Indigenous people which is a large impediment to providing security for business finance. Another impediment found was the development of skills with Indigenous people having limited access to technologies 'only 19% said they used a computer at home (44.5% non-Indigenous) and 17% said they used the internet (39.6% non-Indigenous) (IBR p20). Indigenous small business was far behind that of non-Indigenous with 4.8% compared to 16 % of the non-Indigenous population.

**2.2.7. Achieving Indigenous Economic Independence, Indigenous Economic Development Strategy** is a whole of government approach to removing barriers to Indigenous peoples achieving economic independence. As well as increasing employment, it aims to increase self employment and business development.

*It draws together the range of mainstream and indigenous specific programmes and services and links into support offered through the corporate, community and philanthropic sectors (IEDS p 6).*

**2.2.8. Inquiry into Indigenous Businesses** was an inquiry by the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs in 1997. The Committee was chaired by the Hon Lou Lieberman MP and its Terms of Reference was as follows:

*The Committee shall inquire and report on the existing opportunities and arrangements for encouraging sound Aboriginal and Torres Strait Islander economic initiatives at the small and medium business level. In particular, the Committee will focus on:*

- ◆ *the success of existing Commonwealth programs that help Aboriginal and Torres Strait Islander people (including those in joint ventures with non-Indigenous people) to acquire, control, and develop sustainable commercial opportunities;*
- ◆ *possible future policy directions and administrative arrangements at the Commonwealth level to encourage (I)ndigenous commercial initiatives;*
- ◆ *any barriers to the establishment, acquisition or development of (I)ndigenous controlled businesses or businesses in which Indigenous people are joint venture partners; and*
- ◆ *means of raising the profile of (I)ndigenous controlled business or businesses in which (I)ndigenous people are joint venture partners.*

*The Committee shall also consider State, Territory, corporate and international examples of good practice in encouraging sound (I)ndigenous economic initiatives at the small and medium business level.*

The then Minister for Aboriginal and Torres Strait Islander Affairs, Senator the Hon John Herron, referred to the Committee of the 38<sup>th</sup> Parliament the Inquiry however due to an intervening election the Inquiry has not been re-referred to the Parliament. There were however many contributors to the enquiry among them were the then Department of Employment, Education, Training and Youth Affairs (DEETYA). It identified its New Enterprise Incentive Scheme (NEIS) which assisted unemployed people in receipt of Commonwealth allowances to establish their own business. The NEIS provided business management training, income support and on-going business advice and mentoring for the first year of operation. DEETYA contracted agents to deliver this service and a number of these agents advised the benefits of assisting Indigenous people to develop business ideas. As a consequence DEETYA developed an accredited Preparatory Small Business Training Course. In addition DEETYA worked with ATSIC to develop the Indigenous Business Incentive Program (IBIP) which was then linked to the NEIS. At the time it was stated that 90 IBIP Indigenous clients had undertaken NEIS training with a further 79 in training and 195 expected to complete the training before the end of June 1998. There was also mention of TAP which has been identified earlier in this paper. Another program identified was its Business Incubator funded under the Regional Assistance Scheme which were set up to assist the development of new micro-businesses.

*They encourage employed and unemployed people to set up small businesses, reduce the failure rate of those businesses and assist them to operate efficiently, creating new jobs as they expand and graduate from the incubator (DEETYA 1998: p4).*

Another submission presented was by Rio Tinto who reported on its initiative to assist Gumala Aboriginal Corporation to establish Gumala Enterprises, a successful business venture that now has three divisions, Gumala Contracting (fully owned and managed), Eurest-Gumala joint venture (40% interest) and Eco Retreat Karijini (Fully owned and under third party management). The paper pointed out the benefits of working together with Aboriginal communities and Federal and State government agencies to effectively use programs such as the former ATSICs Indigenous Business Incentive Programmes (IBIP), the former DEETYAs Training for Aboriginals Programme (TAP) and the Community Development Employment Programme (CDEP), to develop partnerships that contribute to Indigenous employment and economic independence. They highlighted the following concerns:

- ◆ Lack of effective co-ordination of planning/budgeting issues where it was pointed out that business and government timetables differed greatly where government programs funded on an annual basis made it difficult for Aboriginal communities to plan long term strategies and to take advantage of business and employment opportunities that required a quick response.
- ◆ Lack of effective communication between government and industry where Rio Tinto have tried unsuccessfully to work with government departments at the local level to combine resources for community development.
- ◆ There were very few government staff who were experienced in business development.
- ◆ The need for mentoring and training for business planning and development specifically how business works.
- ◆ Aboriginal people still don't have access to essential professional services such as accounting services, commercial legal advice and taxation and business planning expertise.
- ◆ The need to support smaller family businesses and independent contractors to enable people to build a broader economic base.

The former Henry Walker Group Ltd also raised concerns regarding the difficulties encountered when negotiating with Aboriginal groups and land councils as well as the myriad of government agencies and programs. It was proposed that there was a need for a 'one stop shop' to improve the processes of developing Indigenous businesses.

Innovative Financial Management and Double W Associates identified various projects they had worked on in concert with Aboriginal communities in the Northern Territory particularly the Indigenous Enterprise Development Pilot Project. This Project was established to demonstrate that success in business was more likely at the individual, family or small group level than the community enterprise level. They

suggested joint ventures were the best means of increasing Indigenous involvement in business.

The Indigenous Land Corporation (ILC) stated its' core functions was land acquisition and land management. It was established as an independent statutory authority to address the dispossession of Indigenous people and to assist them to acquire and manage land to provide cultural, social and environmental benefits for themselves and future generations. They recognise that

*For Indigenous peoples, land is not just a tradeable commodity, the purpose of which is to extract income and raise capital. Land, as Indigenous people view it, is central to religion, culture and social order. The significance of land to Indigenous people has been recognised both in the common law of Australia and in statute law, principally in the Native Title Act 1993.*

*Not only were Indigenous people dispossessed of their land, language and culture, they were not permitted to engage in the non-Indigenous economy on an equal footing and have generally been marginalised from the social and economic life of Australia. The cumulative and combined effects of dispossession and discrimination have resulted in complex and interrelated areas of disadvantage.*

*(ILC Submission to House of Reps 1998 p4)*

While the ILC does not see its role as promoting economic development its 'management functions can be directed towards establishing, maintaining and enhancing economic development through land-based enterprises'(p7)

Other submissions were received from organisations such as the Australia Council, the Australian Chamber of Commerce and the former Western Australian Department of Commerce and Trade identifying their commitment to the States Aboriginal Economic Development Strategy and their Office of Aboriginal Economic Development. A group from Shepparton in Victoria were scathing of the Jobs Network in their tendency to recycle Indigenous job seekers through short-term positions that left clients and employers frustrated and angry. Criticism was also aimed at the Department of Employment and Workplace Relations for its 'one size fits all' approach which not only affected the jobs area but the broader COAG pilot in Shepparton. This approach tended to support that of the Jobs Network.

### **2.3. BUSINESS SUPPORT AGENCIES**

There are a number of business support agencies that have been set up or who have had their services expanded to provide support to Indigenous business. Some act as brokers while others provide business finance and other support systems. The ADC and ATSIC have been abolished however they are identified here to provide a historical perspective of funding bodies that have played a major role in funding Indigenous businesses.

**2.3.1. The Aboriginal Development Commission (ADC)** was the forerunner of Indigenous business services as one of its roles was to assist Aboriginal people to engage in business enterprises. The Miller Report however found

*the ADC has performed inadequately in this respect, largely as a result of its own decision to allocate most of its funds to its housing programs. (Miller p 304)*

The money that they did allocate to enterprises mainly went to assisting community based enterprises that was described as 'economic and/or social'. A greater number of people benefited but prospects of attaining unassisted commercial viability was restricted and there was very little funding available to individuals who were interested in establishing their own businesses. The criticism didn't stop there as it was found the ADC did not provide training, another one of its roles under the Aboriginal Development Commission Act 1980. According to its' Annual Report 1983-84 'all loan applicants must demonstrate appropriate levels of skill and experience in the technical and management aspects of the business'. Considering the history of Aboriginal education and training at that time made it extremely unlikely that these skills existed in the community. Miller found the Department of Employment and Industrial Relations (DEIR) didn't help matters as their Aboriginal and employment and training programs focussed exclusively on salaried employment in mainstream labour market (Miller p306). The situation was further exacerbated by the failure of the Commonwealth Government to appropriate funds to the ADC Capital Fund since 1983. *The Capital Fund operates as an accumulative investment account within the ADC. The monies that were supposed to have been appropriated to this fund have therefore not been available to the Commission to enable it to generate further income from investment interests. This has further inhibited the development of Aboriginal business enterprises. (Miller p307)*

Also, the ADC employed public servants or consultants who had very little or no expertise in business and when it was found some of the enterprises were experiencing difficulties the ADC simply ignored them, it was little wonder that many Aboriginal enterprises at the time floundered. Miller made various recommendations to rectify the situation among them being the ADC to work closely with the Commonwealth Development Bank who could not only provide loan packages to suit the client but also an interchange program where ADC staff would work in the CDB to gain the necessary skills and knowledge to competently carry out its functional responsibilities. An added benefit was to include people from other Aboriginal organisations so that they could gain the skills to enable them to apply for banking positions in the future.

**2.3.2. The Business Funding Scheme** was a service provided by ATSIC. It provided loans and loans guarantee assistance to individuals and for grants, loans and loan guarantee assistance to Aboriginal and Torres Strait Islander corporations for the purpose of establishing commercially viable enterprises. This Scheme was not without its

problems and in August 1991 it was temporarily suspended due to the high level of loan arrears. Tighter control measures were implemented and a detailed assessment of loans was undertaken with some being restructured while others were written off. In July of the same year the Office of Audit and Evaluation recommended that ATSICs enterprise programs be restructured to fund non-commercial enterprises that meet social, cultural and economic needs. This recommendation together with the transfer from DEET, the Enterprise Employment Assistance program led to a decision to restructure ATSICs enterprise program into three totally separate components:

- ◆ a commercially oriented Business Funding Scheme;
- ◆ a socially based Community Economic Initiatives Scheme; and
- ◆ a wage subsidy Enterprise Employment Assistance Scheme.

This separation meant that ATSIC could better meet the needs of Aboriginal people.

**2.3.3. Department of Employment and Workplace Relations (DEWR)** develops policies, implements and manages programs directed at maximising working age Australians' ability to participate in the workforce and improve the productive performance of enterprises in Australia.

Its total estimated portfolio appropriations have increased by \$23.9 billion since 2004-05 due to administrative changes which includes the transfer of:

- Indigenous Business Australia (IBA) from the Immigration and Multicultural and Indigenous Affairs Portfolio to the Employment and Workplace Relations Portfolio;
- the transfer of the Business Development and Assistance Programme (BDAP) from the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) to IBA; and
- the Community Development Employment Projects (CDEP) program from Aboriginal and Torres Strait Islander Services (ATSIS) to DEWR.

As well as these additions DEWR continues to offer the following:

- Indigenous Business Development Program that facilitates the establishment of commercially viable enterprises among Indigenous peoples;
- Indigenous Small Business Fund provides funding to community based organisations to enable them to learn about business, develop good business skills and expand their businesses;
- Corporate Leaders for Indigenous Employment Project encourages private sector companies to generate job opportunities through the Indigenous Employment Program;
- The National Indigenous Cadetship Project (NICP) is aimed at improving the job prospects of Indigenous Australian students. It links full-time students undertaking a diploma, an advanced diploma or their first undergraduate degree with employers who

can give them work placements and ongoing employment once they finish their studies.

- Wage assistance - provides a subsidy to employers of up to \$4,400 for employing Indigenous job seekers and can help the business cover costs such as recruitment, wages, uniforms or training.

The Indigenous Capital Assistance Scheme was administered by DEWR has now transferred to the IBA. The scheme gives Indigenous business access to commercial finance and professional mentoring support through a participating financial institution.

**2.3.4. Indigenous Business Australia (IBA)** was established by the Aboriginal and Torres Strait Islander Commission Amendment Act 2001, which came into effect on 17 April 2001. It extended the role of the former Aboriginal and Torres Strait Commercial Development Corporation (CDC) to assist and enhance Indigenous peoples' economic advancement, through facilitating Indigenous involvement in sound commercial ventures. Under the enabling legislation, the Act requires the IBA engage in commercial activities.

With the passage of the Aboriginal and Torres Strait Islander Act 2005 in March 2005, IBA's responsibilities were expanded to include two new programs: home loans and business loans together with business development assistance. This has seen the development of the Business Development Program that provides concessional business loans and in some cases business grants. It meets the costs of assessment of loan applications, the provision of aftercare to borrowers and mentoring for Indigenous people in business. It also supports the cost of research to improve knowledge on regional economic circumstances that would impact on small business viability.

The IBA presented the following information of their 2005-06 activity at the First Nations Economic Opportunities Conference 2006 in Sydney;

- ◆ 86 loans were approved totalling \$17.30 million,
- ◆ 446 active loans with a value of \$46.3 million,
- ◆ 47 economic development initiatives totalling \$5.50 million which results in 677 Indigenous people undertaking business development loans,
- ◆ 1671 new enquiries for business development loans, and
- ◆ business support provided to clients totalling \$4.20 million.

(Powerpoint presentation to FNEOC)

IBA is a partner to the Australian Governments Indigenous Economic Development Strategy. This involves working closely with the local sector and community groups to foster economic independence as well as home ownership.

**2.3.5. Lumbu Indigenous Community Foundation (LUMBU)** is an Indigenous controlled charitable foundation whose objectives are to:

- to promote healthy, vibrant and prosperous Indigenous communities;
- to promote and encourage Indigenous ownership and control of assets in a manner that enhances Indigenous cultures and values;
- to build partnerships that create and support models of sustainable, culturally appropriate Indigenous development; and
- to celebrate and invest in Indigenous young people, especially initiatives to foster Indigenous leadership.

**2.3.6. Carnegie, Wylie and Company (CWC)** is an independent investment bank that operates in Australia and the Asian region. Their activities include mergers and acquisitions advisory services, direct investment and private equity and funds management. 'CWC will assess Indigenous investment or advisory opportunities where Traditional Owners possess land holdings, Native Title rights, pending resource negotiations, tourism and/or land development. Other opportunities that possess a competitive advantage or compelling commercial proposition will also be considered' (CWC Website)

**2.3.7. Indigenous Capital LTD (ICL)** are a group of private investors and business people who are looking at the viability of creating an Indigenous private equity fund. ICL works in concert with the IBA. ICL wants to take Indigenous business to the next level by:

- \* focussing on sustainable commercial drivers and separating them from social and political considerations;
- \* establishing Indigenous private equity investment, business building and capacity development through public and private partnerships;
- \* accessing private capital markets and developing Indigenous investment as a genuine asset class; and
- \* developing Indigenous expertise in mainstream commerce.

This researcher spoke to the Aboriginal person who was spearheading this initiative and he said it went through every government mechanism and others supporting it and when it was finally presented to the Australian Government it was not supported. He said ICL has not disappeared but rather it is 'on ice' for the moment.

## **2.4. OTHER EXAMPLES OF GOOD BUSINESS**

### **2.4.1. Balarinji Design Studio**

Balarinji is a contemporary art design brand that has 'been pushing the boundaries of signaturing Australia for almost twenty years' (Balarinji website). It has been a trailblazer for Indigenous art and designs from adorning Qantas jumbo jets to fashions on Paris catwalks, kimonos in Japan and christmas banners in Sydney's CBD. In 2004 IBM and Balarinji collaborated and produced ten limited edition IBM Balarinji

ThinkPads celebrating the evolvement of communication in Australia. The computers were adorned with Aboriginal art and each had its own unique name, design and story. On 11 February 2005 two of the ThinkPads were put up for charitable auction on eBay with all proceeds going to the Aboriginal student literacy program, Story Writing in Remote Locations.

‘Balarinji graphics typify a new mood in Australia: an increasing sense of being Australian; an individual, confident identity; an embracing of our Indigenous heritage and reconciliation with its guardians’.

(website). Its philosophy is “where ancient culture connects with contemporary design”.

#### **2.4.2. Gumala Enterprises Pty Ltd (GEPL)**

GEPL is the enterprise arm of Gumala Aboriginal Corporation (GAC). It was created to represent the collective interests of the Traditional Owners ( Niapiali, Bunjima and Innawonga) in negotiations with former Hamersley Iron Pty Ltd, now Pilbara Iron. GAC manages a General Foundation that is a public benefit institution for the Traditional Owners. Payments to the Foundation are used for various things including undertaking investments and income earning activities. GEPL’s role is to manage the growth and success of a diverse portfolio of business assets on behalf of the Traditional Owners.

GEPL has three divisions

- ◆ Gumala Contracting (fully owned and managed) provides earthmoving and contracting services to the mining sector and associated industries in the Pilbara region.
- ◆ Eurest-Gumala Joint Venture (40%Eurest) provides mine catering and other mine camp services to the mining industry.
- ◆ Eco Retreat Karijini (fully owned and under third party management) is a new tourist accommodation facility located in Karijini National Park. GEPL’s entry into tourism provides an excellent introduction into Aboriginal culture through the Indigenous Cultural Amphitheatre facility in the camp grounds where cultural dancing, story telling and showing of films are staged.

#### **2.4.3. YBE (2) Pty Ltd**

YBE (2) Pty Ltd is the new name for Yirrkala Business Enterprises (YBE) which was founded in 1968. The name changed in 1999 to reflect the restructure of the company to include all the 26 clans. This has provided stability to the group as well as to business interests. YBE operates in the top end of the Northern Territory, Western Australia and Queensland.

Their civil engineering arm operates

- ◆ earthworks construction  
This involves earthmoving, rebuilding and maintaining dams, earthmoving for new capital projects, carting topsoil, sand and

limestone for fill to rehabilitate mined areas. Major projects include constructing and extending Ponds 6 and 7 worth \$20 million.

- ◆ road and airfield construction  
This is particularly crucial in the north of Australia especially in tropical conditions. YBE not only constructs roads and airfields but maintains them as well. They currently maintain the Central Arnhem Road between Nhulunbuy and the Goyder River. Other projects include the resurfacing of the Numbulwar airstrip.
- ◆ ore haulage  
Haulage of bauxite from Nabalco's Rocky Bay site is a major part of YBE's business. In 1999 they expanded and upgraded their vehicle fleet enabling them to increase its ore capacity to 1.2 million tons.

Their environment arm is involved in

- ◆ environmental rehabilitation and horticultural services  
YBW uses traditional knowledge and modern techniques providing a range of environmental and horticultural services. YBE also gathers seeds and grows native plants to restore mined lands.
- ◆ vetiver grass  
YBE cultivates this very tough grass that grows aggressively to a depth of 4 metres. The seeds cast by the plant are sterile so it doesn't affect the environment. It can be used in certain applications instead of concrete such as steep slopes and culvert head walls.
- ◆ Industrial and domestic nursery sales and consultancy services  
YBE provides seedlings and plants for landscaping in commercial and residential areas and rehabilitating areas affected by mining. Other projects include establishing bush tucker and bush medicine plants.

#### **2.4.4. Cape York Partnerships**

Cape York Partnerships (CYP) is a community development organisation established in 1999 through an agreement between the Queensland Government and regional Indigenous organisations. It supports Indigenous individuals, families, clans and communities to move beyond passive welfare, towards a social recovery and to enable them to participate actively in the economy. It has set up a variety of programs and among them in the Indigenous Enterprise Partnerships involving the private and philanthropic sectors. These include The Body Shop, Westpac, Boston Consulting Group, The Myer Foundation, Royal Melbourne Institute of Technology (RMIT), Harvard Business School and Indigenous representatives. It has recently established an office in the Goulbourn/Murray district of Victoria encompassing Shepparton, Echuca and Cummeragunja.

CYP's approach is based on five principles:

- ◆ IEP supports Indigenous leadership to deliver their own strategies and vision;
- ◆ IEP aims to foster Indigenous economic and social development by request in a way that encourages people to take responsibility for their own lives;

- ◆ IEP seeks to build a network where Indigenous, government, corporate and philanthropic ideas can be shared;
- ◆ Where feasible and appropriate. IEP Directors and staff directly support and advise Indigenous organisations;
- ◆ Where IEP lacks the internal capability or capacity, they identify appropriate corporate or philanthropic partners and facilitate their engagement with the relevant Indigenous organisations.

In its first five years, IEP has provided assistance to over 120 projects or businesses, mainly brokered through Balkanu, Cape York Partnerships and Cape York Institute. Projects and businesses such as:

- ◆ Community Controlled Health Care lead by Apunipima – IEP provided resources to help outline the argument for and approach to community controlled health care.
- ◆ Business Hubs lead by Balkanu – IEP provided resources to develop the strategy and funding submission, with ongoing support from Westpac
- ◆ Cape York Digital Network lead by Balkanu – IEP provided resources to help articulate the original aims and to obtain seed funding.

### 3. METHODOLOGY

The methodology used in this research involved a stepwise process. This process recognises the research requirements of Murdoch University and supports protocols that must be observed when visiting or doing business with communities. Further information can be found in a paper I submitted as part of my honours *Doing Business with Communities: The Proper Way* incorporating:

Step 1. Identify area for research and undertake a literature review.

Prior to commencing the Honours program I wasn't quite sure what I wanted to research although I did know it was going to be about Aboriginal Affairs. The area I chose would be from an Aboriginal perspective so it would be different from the many reports done by non-Aboriginal consulting companies. After talking to many Aboriginal people the word business kept coming up in conversations and it seemed that many in my network were keen to start their own businesses. People weren't sure about the "what" and "how" of business and we talked about the old "work information tours" that a person or group could undertake. This program enabled people to visit other projects or programs to gain knowledge of people/communities and their operations and to personally ask questions about the "what" and "how". I also spoke to Aboriginal people who were running their own businesses and many said they were doing okay and there were those who were not so okay but didn't want to give up as returning to 'normal' employment was not an option they were willing to consider immediately but was a last resort if things did not improve. Being the recipient of a scholarship from Desert Knowledge Cooperative Research Centre, I attended workshops and found Indigenous business as one of their project streams. This confirmed the need to research this area albeit an honours thesis will only scratch the surface of a much larger field that requires a more in depth focus.

I then began researching available literature and found myself designing my thesis around historical perspectives and how past and current policies have impacted and shaped the lives of Aboriginal people and their employment and what has been contributing factors to people and communities wanting to develop and operate their own businesses. In essence it was to answer the questions of what are the key success actors for existing remote businesses, what are the key linkages between social and commercial motivation and outcomes in

enterprises and what support has been provided by service agencies and how effective has this support been.

Step2. Identify potential case studies and seek their willingness and permission to use them as a case study.

Initially I chose three case studies and in hindsight I think I was being somewhat ambitious. However, one of them said they weren't keen to participate as they were going through changes and the other wasn't available as I could not contact the Chairperson through whom I had to get permission to carry out my research. The process of working with organisations or communities can be a problem if you can't contact the Chairperson as it is protocol to go through the Chairperson who then presents your request to the managing committee who makes the decision whether they agree or disagree with you researching their organisation or community.

As it turned out, the two case studies who consented to be part of my research were very different with one being a sole operated earth moving business and the other a family operated transport business. This has provided me with a 'human face' to my research as well as assisting me to answer the questions that were proposed at the beginning of my thesis.

Step 3. Apply to Ethics Committee for permission to conduct case studies.

The first application to the Ethics Committee wasn't approved due to insufficient information. I then had to resubmit my application making my position very much clearer especially in terms of having an acute understanding of the processes and protocols associated with dealing with Aboriginal communities. Documents such as NHMRC Values and Ethics: Guidelines for Ethical Conduct in Aboriginal and Torres Strait Islander Health Research and the Murdoch University policy on Ethics in Research Involving Aboriginal and Torres Strait Islander people are very good guidelines but they do not provide answers to the 'grey' areas of how to create an amicable working relationship with the organisation or community. I explained my approach in the ethics application, an approach that didn't rely on 'doing it according to the guidelines' but rather through lived experience. It also made me aware that there was a need to develop a paper on the protocols and procedures that need to be recognised and practiced when working with Aboriginal communities and organisations. I then developed *Doing Business with Communities: The Proper Way* and recommended that it be used with the

NHMRC Values and Ethics: Guidelines for Ethical Conduct in Aboriginal and Torres Strait Islander Health Research and the Murdoch University policy on Ethics in Research Involving Aboriginal and Torres Strait Islander people.

- Step 4.      Develop questionnaire for case studies.  
To ensure the uniformity of my data collected from my case studies I developed a generic questionnaire that I then adapted for each case study. There were nineteen questions which were based on the questions that were proposed for this thesis. Responses from the case studies has provided me with valuable information that highlights the positive and negative aspects of Aboriginal people in business in remote areas which is probably no different to those businesses of non-Aboriginal people however, there are programs that have been set up specifically to assist Indigenous businesses and yet it seems these businesses continue to lack the support of service providers.
- Step 5.      Analysis of literature review  
The literature reviewed for this thesis explored policies and programs developed for Indigenous people specifically those whose outcomes are to improve the situation of Indigenous people in education, training and employment.
- Step 6.      Analysis of case studies  
The two case studies presented in this thesis presents a 'human face' to Aboriginal business. They give a very clear picture of the positives and negatives of operating businesses in remote locations. While one is a sole operator, the other is a family operated business however both have identified the problems with dealing with government as opposed to dealing with the private sector.
- Step 7.      Collate data into thesis  
The data collected as part of the literature review and the case studies have been incorporated and developed into this thesis which by its very nature is limited by its scope and requires perhaps a PhD to explore more fully this important area.

## 4. ANALYSIS OF LITERATURE REVIEW

The literature review is comprised of three sections, historical background, reports, strategies, programs and policies, business support agencies and other examples of good business.

It was important to look at the historical perspectives of Aboriginal economic development and how Aboriginal people have adapted from localised trading and self sufficiency in their own country punctuated by colonial settlement, missions, reserves and pastoral living to a culture that is profit driven where land is a commodity and not a 'spiritual being' that gives life and nourishment and is sacred. Their entrance to the Australian economy was not a matter of choice but rather an inevitability with a most unequitable circumstance. Their resilience and adaptive skills has ensured they remain on the Australian agenda albeit on the periphery with 'special programs' and not fully participating in mainstream practices.

There have been many reports written, strategies developed and programs and policies developed and implemented to address the inequalities and unjust situation of Aboriginal people. Many of these have exacerbated rather than helped Aboriginal advancement by captivating them in 'special programs', cyclic welfare and poverty. The adaptability of many Aboriginal people has enabled them to throw off these shackles and become entrepreneurs in their own right. The examples of good business in 2.4 demonstrate this. These businesses are varied and can compete with any mainstream business. It is interesting to note that GEPL, Cape York Partnerships and YBE (2) P/L represent a number of groups/clans, in fact YBE (2) P/L underwent a restructure and a name change to include all 26 clans thus stabilising the group. Gumala is made up of three language groups and it seems its operations goes from strength to strength as does the Cape York Partnerships. This is in contrast to what Innovative Financial Management and Double W Associates of the Northern Territory stated in their submission to the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs, Inquiry into Indigenous Business 1998 where they suggested that success in business was more likely at the small group, family or individual levels rather than a community level. It shows that each group is different and what works for one will not necessarily work for another.

One of the major programs that has impacted on the lives of Aboriginal people has been the Community Development Employment Program (CDEP) which has undergone many changes over the years. Its recent abolition in major regional centres and urban areas means that people in these areas will now be part of the Structured Training and Employment Projects (STEP) program which is delivered through Job Network Members (JNM) and Indigenous Employment Centres (IEC)

which raises some concerns as there was criticism expressed from the group in Shepparton, Victoria of the Jobs Network recycling clients through short-term ungainful occupations leaving clients and employers frustrated and angry. One wonders if the STEP will improve this situation or that of those people who were part of CDEP considering it states in the STEP Guidelines for Organisations p4 that the following assistance can be provided as part of a STEP package:

- ◆ *job placement, workplace orientation and on-the-job support and advice;*
- ◆ *mentoring;*
- ◆ *wage subsidy;*
- ◆ *assistance with developing an Indigenous employment strategy for an organisation;*
- ◆ *developing cross-cultural awareness training packages and a contribution to the cost of delivering the training;*
- ◆ *marketing initiatives to identify suitable participants;*
- ◆ *personal assistance to participants prior to commencing training or work;*
- ◆ *pre-employment and formal/accredited training while employed or prior to employment; and*
- ◆ *support for the developing an SRA with local Indigenous people and communities which focuses on employment.*

The Committee of the Review of Aboriginal Employment and Training Programs (The Miller Report) chaired by Mick Miller was a blueprint for Aboriginal employment and training in Australia. It recognised that the key to overcoming racism, cultural differences and geographic isolation was sound education and training programs. As a result the Aboriginal Economic Employment Development Policy was developed and launched. Its aim was to achieve equity in Indigenous employment and income in line with the wider Australian community by 2000. It seems there is still a long way to go as The Indigenous Business Review 2003 found the wealth gap between Indigenous and non-Indigenous people was significant with Indigenous people earning less than 60% of the median weekly income.

The Royal Commission into Aboriginal Deaths in Custody (RCIADIC) supported the Miller Report and it made 339 recommendations to improve all areas of Indigenous affairs including increasing economic opportunity. Several programs were set up in response to RCIADIC with most of them only operating through the cycle of funding which brings into question the governments' support and commitment to the recommendations. The Deaths In Custody Watch Committee WA Inc set up in response to a recommendation of RCIADIC (this recommendation applied nationally) claims that many issues and recommendations are still outstanding. They further claim that of the 212 recommendations relating to the WA Justice system, very few have been implemented. The Government of Western Australia 2000 Implementation Report, Recommendations Into Aboriginal Deaths in Custody coordinated by the Aboriginal Affairs Department, June 2001,

signed off by the then Minister for Indigenous Affairs the Hon Ian Carpenter, provides information on the 212 recommendations and it appears that the majority are ongoing.

The National Indigenous Education Policy underpins Indigenous education and training in Australia. Its aim is to improve education and training outcomes for Indigenous people. It is a comprehensive Policy with a framework that informs the planning, financial resourcing and monitoring and reporting on the progress of Indigenous education. It continues to have a national focus through the Ministerial Council on Employment, Education, Training and Youth Affairs (MCEETYA) and the education and training bodies in each State and Territory such as the Aboriginal Education and Training Council and the Department of Education and Training in Western Australia. The Western Australian Aboriginal Education and training Operational Plan 2005 – 2008 has five priorities for the Vocational Education and Training Sector. If the VET sector makes a commitment and invests in all priorities especially those of 4 and 5 which states:

- Priority 4 Culturally appropriate product development, design and delivery  
Improved strategies are needed to more appropriately to meet local Aboriginal aspirations and their cultural and economic circumstance
- Priority 5 Growing VET partnerships that link to further training and employment  
More effective coordination between TAFEWA, local Aboriginal communities and industry will enhance links between training and employment outcomes.

then perhaps Aboriginal students studying in the TAFE sector will be better prepared for employment whether employed by someone else or in their own businesses.

There are a number of agencies set up to support Aboriginal business including State and Territory departments not identified in this research such as the Western Australian Department of Indigenous Affairs and The Department of Industry and Resources. This plethora of departments and agencies makes it hard for Aboriginal and non-Aboriginal people to negotiate appropriate funding. There seems to be very little or no coordination between State and Federal departments. The Indigenous Business Report (IBR) were concerned that DEWRs programs were similar to those of other agencies. One thing they do have in common however is the amount of 'red tape' and the inordinate amount of time that is involved in processing applications. This has been identified by organisations such as Rio Tinto and the two the case studies of this research. The IBR found that there was little data collected and very little monitoring of performance of programs. It also found that business facilitators provided by the government did not possess business expertise themselves which raises the question about the process of the selection of business consultants employed by government. It seems to be a case of the incompetent weaving a web

of disaster further hindering Aboriginal economic development. This together with the reluctance of the private sector to finance Aboriginal business is a recipe for disaster so it is assumed that those businesses identified in 2.4 have developed extensive knowledge of the systems to make them work for them. On the other hand Gumala has negotiated business directly with Rio Tinto thus avoiding the headache of dealing with government agencies. One could surmise that this has been their strength as can be seen by the expansion of their enterprise arm.

The Indigenous Land Council (ILC) and Indigenous Business Australia (IBA) are prime examples of organisations that have been set up specifically to cater for Indigenous business and Indigenous land acquisition and management. These are their core business functions and the ILC certainly acknowledges that land acquired on behalf of their clients will have an economic development focus possibly as part of land management and sustainability. It is however concerning that the IBA responsibilities have now included home loans which may or may not detract from their core business of business loans and business support. One guesses this will manifest over a period of time.

## **5. CASE STUDIES**

This research involves two case studies that provides a 'human face' to the research. It gave this researcher first hand information regarding Aboriginal businesses operating in remote locations. Respondents appreciated the opportunity to participate in the research as it gave them a chance to tell their side of the story.

### **5.1. Case Study 1 - Bulldog's Dozer Hire**

Bulldog's Dozer Hire is a sole operator and although based in Carnarvon, operates in the upper Gascoyne, an area administered by the Shire of Upper Gascoyne. It has been operating approximately nine years and has been reasonably successful in terms of being able to sustain repayments on loans as well as providing an income.

### **5.2. Case Study 2 - Bunjima Transport**

Bunjima Transport operates in the north west of Western Australia and is based in Perth. It is a family business that transports goods to regional centres. Its focus has been mainly in the Pilbara due to mining companies' demand for goods. It has been operating since 1998 and recently has been successful in terms of enabling the family to pay its bills as well as providing a small wage to family members.

### **5.3. Survey Results**

For the purpose of writing the responses from the case studies they will be referred to as Bulldog and Bunjima.

#### **5.3.1. Reasons for Establishing the Business**

When asked their reasons for establishing a business in their chosen field both respondents stated they had extensive knowledge and experience in earthmoving and transport. An opportunity presented itself and both took advantage of the situation. In the case of Bulldog, there wasn't another caterpillar dozer of its size operating in the area to meet the needs of the Shire and some of the pastoralists. The opportunity arose for Bunjima to purchase a truck and commence their own transport operations. Once the equipment was purchased Bulldog secured a number of hours from the Shire and Bunjima took over the transport route already operated through the transport company they worked for at the time.

#### **5.3.2. Problems with Operating a Business in a Remote Location**

Problems experienced by Bulldog are numerous especially with ATSI who allocated his loan. Bulldog said he waited two years from the time he submitted his application to the time it was approved. He had to

make time to fly to Perth to secure the funding and when he met with ATSIC officials they indicated it was still going through the approval process. He said this was the last straw that made him really mad. It forced the ATSIC Officer to chase up the paperwork and put things in motion for Bulldog to receive the cheque. The moment he was handed his cheque, there was no further contact with ATSIC. Bulldog stated:

*If the government is concerned about where public dollars are spent then shouldn't there be some evaluation and monitoring process in place especially in terms of lone operators. Their policy seems to be "out of sight out of mind". The idea of letting people get on with the business and if there are any problems the business operators can contact them is a recipe for businesses failing. If support is continued throughout the life of the funding allocation, and this means regular visits to businesses as well as contact through the electronic medium there may be more successful businesses.*

Operating in remote locations brings isolation and the tyranny of distance becomes very real. It makes it hard to build networks and source information. Whenever there is a breakdown of the machinery the waiting time, the time it takes to track down parts and the paperwork involved means loss of money and income. Bulldog has to make time to travel to Carnarvon, the nearest regional centre to order and pick up parts. When contracts are advertised he usually hears about them after they've been awarded however if he did receive the information on time he is still disadvantaged as he doesn't have the time to write the submission. Bunjima usually has to transport the truck back to base in Perth for repairs and not being part of big business means they don't have the luxury of having the use of another truck. Repairs and fuel costs are exorbitant so every dollar made is invested back into the business.

### **5.3.3. Support from Service Providers eg IBA, DIA, DLGRD**

For Bulldog it's taken time to establish support from the Gascoyne Shire and Local Government and since then the Shire has bent over backwards to keep him operating. This benefits both parties as they can apply for funding and it's in the Shire's best interest to support Indigenous business. However he gets no support from the Carnarvon Shire even though they know about his operations and his office is based in Carnarvon. After eight years of operating a representative from the IBA which took over the enterprise operations following the demise of ATSIC, through whom the initial funding was allocated, finally visited. 'To meet someone from the funding body in person and talk personally about the operations of the business was a surprise and now means there is a "real" person I can contact in IBA'.

The opportunity for Bunjima to purchase a truck arose with the trucking company they were with at the time. They approached ATSIC for advice and a business loan but the process was too long so they had no alternative but to seek funding elsewhere. They sought funding through

the AGC, paperwork was completed and faxed through and approval was given over the phone. This involved a fraction of the time. Bunjima stated the process with ATSIC disadvantages a lot of people.

#### **5.3.4. Funding, advice and support**

Bulldog stated that after eight years of operating an IBA representative finally paid him a visit. He said:

'I contacted the IBA for additional funding to expand my business recently and found my contact was on leave. I spoke to another staff member in the organisation and they requested I send them all my details. I explained all this was on files that they already had and besides I didn't have the time to go through my files and resend them all the information.

The amount of paperwork that government requires is ridiculous. If the bank can give an answer in a matter of days why can't the government?

The attitude of the staff in the IBA doesn't instil confidence in me as a business operator. When I ask questions about my business and they can't provide me with an answer I question their business qualifications considering the field in which they work. They immediately take this as a personal attack. But I need answers and support and if the funding body can't provide that then I'm in deep trouble.

I haven't missed a payment since commencing the business and this should be a sign to them that I'm committed to making it a success. I'd like to think they have a part to play in the establishment and ongoing operations of a business but they seem to adopt the attitude "out of sight out of mind". I'm sure that they would have no hesitation however, in identifying a successful high profile business that is funded through them albeit the operators probably did it themselves'.

Bunjima reiterated their contact with ATSIC.

#### **5.3.5. Jobs won through tender or links**

Bulldog: I had to tender for the Shire job but before that I was personally recommended by people who knew of my ability and experience. I had to make the time to do the paper work and work out the budget for the job.

Bunjima: Links already existed with a family member already working in the area

#### **5.3.6. Problems encountered in the "job"**

Bulldog:

- ◆ There is still the problem in some areas that contractors want to hire a "white fella" instead of a "black fella". And when they do hire a "black fella" they want them to do the jobs at the cheapest rates.

A straight talking knowledgeable “black fella” doesn’t sit well with some of the contractors.

- ◆ Isolation means there’s no access to other earth moving companies for networking. I usually have to phone my own contacts for a yarn about what’s happening in the industry and to swap ideas. This is very expensive when done over a satellite phone.
- ◆ There’s never been any offers from ATSIC/IBA to attend conferences or workshops where I can get information and develop networks.
- ◆ Price of fuel and repairs are exorbitant
- ◆ Accreditation for truck and trailers for road worthiness takes an inordinate amount of time filling out the paperwork and showing government that my machines are in excellent condition.
- ◆ The amount of paperwork that I’m expected to do on behalf of the government eg they require me to work out my fuel rebate; why?

Bunjima:

- ◆ Tried to expand into other areas eg mining but didn’t have the time to write tenders that were “acceptable”.

### **5.3.7. Preferred provider of services**

When asked if they were seen as preferred providers of service in their areas of expertise Bulldog stated ‘only in the Shire of Upper Gascoyne although the “squatters” still rather hire white contractors’. He added there is still a lot of work that he doesn’t hear about only after contracts have been awarded. Bunjima was a preferred provider to Aboriginal agencies such as Gumala but this meant dropping other business to accommodate them.

### **5.3.8. Impact of the business on family and community**

Bulldog responded by saying his community hasn’t shown any interest in his business. However personally, the business gave him direction as it has enabled him to use his experience and knowledge. In 2008 he will have repaid his ATSIC/IBA loan and in 2010 he thought it might be a good time to buy some new machinery. He said he does take notice of the trend in big companies.

Bunjima said that the business is a family business that has created employment for the family, provided status and signifies achievement in the Aboriginal community. It provides income for the family and the extended family has been involved in one way or another. For example it has provided the opportunity for family members to get their truck driver’s licence which has enabled them to find employment and sometimes has transported goods for the family without having to pay transport costs. However it is important to recognise the boundaries between family members and family needs – home and business. Unfortunately being a small business means that there are no huge profits consequently some

family members have left and have taken the opportunity to work in the mining industry. Time involved in the business means there's no time to do other things and there is a stigma in the community about not employing your "own mob".

### **5.3.9. Business, employment and capacity building**

Bulldog referred to his answer in the previous response.

Bunjima's response was that the business provided the opportunity to have more control over their lives as well as providing employment for family members. Running their own business brought an owner-driver status to the family.

### **5.3.10/11. Use of cultural knowledge**

When asked this question Bulldog responded by stating that he has spoken to the traditional owners of the country in which he operates and suggested they advise the Shire of the location of sacred areas and to catalogue these sites. He also suggested they fence these areas so CALM and others would know where these areas are as CALM are reclaiming all old pastoral leases.

Bunjima said that running your own business gives the family the flexibility to participate in cultural business when necessary. A senior member of the family is a member of the Innawonga, Bunjima and Niapiali (Gumala) traditional group.

### **5.3.12. Improving the social and well being of family and community**

Bulldog referred to the answer in 5.3.8

Bunjima stated the business provided status of having a truck in the family and it gave the family hope as it keeps the family in employment.

### **5.3.13. Financial status**

Bulldog is in a position of being able to repay his loans.

Bunjima says they are not losing money and can pay their bills. They are paying off the truck and are making enough money to buy assets. They have never relied on grants.

### **5.3.14. Business improvements**

Bulldog has already invested in an additional machine, a Luigong excavator, which gives more scope to his work such as stockpiling.

Once the truck is paid off Bunjima will be able to expand and it will allow the family to do other things such as undertaking training to enable them to pursue other interests.

### **5.3.15/16. Support for improvements**

Bulldog responded saying he had approached the IBA but their process was too long and there were no 'competent staff' to provide immediate information. Their request for paperwork that they already had and the time taken to approve funding left him with no choice but to seek funding from the bank which was approved in a matter of days. The additional loan enabled him to purchase the Luigong excavator.

Bunjima said they tried to get support from extended family business (Gumala) but wasn't successful.

### **5.3.17. Future projections**

Bulldog said he will sit tight and pay off his loans and depending on the Shire and their budget if that gets cut then he may have to look for work elsewhere like Tom Price and operate someone else's machines unless they can use his machines. 'It's no use rushing to work for big companies as they only give you "shit" work that requires you to work your machines to death. It's very hard to just pack up and move. Fuel prices will have a huge impact. The Shire reckons contractors were stealing the fuel so now I has to supply my own'.

Bunjima wants to incorporate the business into the family/extended family community operations where it can provide transport training, transport for the community as well as undertake work with the mining companies.

### **5.3.18. Ingredients for best practice**

When asked about best practice Bulldog offered the following:

- ◆ Good bookkeeping. Always check entries and know and understand the information.
- ◆ Appropriate training has to be provided so people have the skills to question everything.
- ◆ People must have experience and good grounding in business.
- ◆ Departments/funding bodies must have competent staff who have experience in business and who can provide the right advice and not keep "palming" people off to other people. Time is money and lone operators don't have the luxury of time. Departments must be streamlined so that information is readily available on the computer. I'm usually doing business by Satellite phone so can't "hold" or ring back.

Bunjima offered the following:

- ◆ Has to be based around family and the needs of the family
- ◆ Has to have the flexibility to allow family to attend cultural events
- ◆ The business has to make money, be economically viable but has to also meet the needs of the community.

## 6. ANALYSIS OF CASE STUDIES

Bulldogs Dozer Hire and Bunjima Transport are two quiet achievers and have proven themselves successful despite not receiving any support from government departments or business organisations. They both saw an opportunity and took advantage of it knowing they already had the skills and knowledge in their respective areas. They both sought ATSIC funding and while Bulldog waited two years for approval Bunjima wasn't prepared to lose the opportunity and sought funding elsewhere. This move by Bunjima was successful in terms of them getting funding approval in a fraction of the time it took Bulldog. This is a huge problem with government departments and bureaucracy as pointed out in the Rio Tinto and Henry Walker Group submission to the Standing Committee on Aboriginal and Torres Strait Islander Affairs, Inquiry into Indigenous Business.

ATSIC was criticised severely for providing inexperienced business facilitators to Aboriginal businesses and it seems this hasn't improved as Bulldog complained of seeking support from the IBA without success for the simple reason they couldn't answer his questions. Their request for his paperwork when they already had the information on file smacks of laziness or incompetence. There didn't seem to be any concept of the location of his operations nor the time it would take for him to get his paperwork together to send to Perth. Time is money for lone operators and small businesses and it is obvious that this hasn't become part of the mindset of IBA. It reminded this researcher of a CDEP meeting when the Australian Government began signalling the changes to CDEP, an Aboriginal person remarked that he saw no real changes just 'the same horse with a different rider'.

The support provided by government to Indigenous business is minimal. There seems to be no monitoring in place, as highlighted by the IBR, and no follow up procedures. Indigenous businesses are left to fend for themselves with no networks created, no access to information on changing trends in industries or support to attend conferences and workshops. There is also the concern about racism in the private sector as expressed by Bulldog and missing out on tenders due to not hearing about them as in Bulldog's case and not being able to write 'acceptable' tenders in Bunjima's case. The question arises then who should be providing this support? The IBA should definitely be providing advice and support with monitoring and follow-up procedures in place and should they also be assisting businesses to win tenders and break down racism barriers in the wider community? If it's not their role then who's role is it? If everyone keeps passing the buck then Indigenous small businesses are going to find it harder to operate.

Owning and running your own business gives you the flexibility of having time for cultural business (Bunjima). It suits Bunjima to operate a family business because it has provided status and has involved family and extended family in different stages of the business. They have however made it quite clear that business and family issues must be kept separate. Bulldog on the other hand

operates alone which he doesn't mind as he says it's given him direction and he is happy doing what he knows best. Both businesses are already looking to the future with Bunjima wanting to extend into the extended family operations and Bulldog looking to perhaps move on to other locations.

Their ingredients for best practice is given in 5.3.18 and is repeated here because the points raised are important:

When asked about best practice Bulldog offered the following:

- ◆ Good bookkeeping. Always check entries and know and understand the information.
- ◆ Appropriate training has to be provided so people have the skills to question everything.
- ◆ People must have experience and good grounding in business.
- ◆ Departments/funding bodies must have competent staff who have experience in business and who can provide the right advice and not keep "palming" people off to other people. Time is money and lone operators don't have the luxury of time. Departments must be streamlined so that information is readily available on the computer. I'm usually doing business by Satellite phone so can't "hold" or ring back.

Bunjima offered the following:

- ◆ Has to be based around family and the needs of the family
- ◆ Has to have the flexibility to allow family to attend cultural events
- ◆ The business has to make money, be economically viable but has to also meet the needs of the community.

## 7. CONCLUSION

In conclusion, it seems that there has been little change from what was stated in submissions to the Standing Committee on Aboriginal and Torres Strait Islander Affairs in 1998 to the submission of the Indigenous Business Review in 2003 to what was being expressed by Bulldog and Bunjima in 2006, that is:

- ◆ business facilitators lack business expertise,
- ◆ no monitoring or follow-up support to businesses
- ◆ government processes take an inordinate amount of time to approve funding which disadvantages Aboriginal people,
- ◆ the need to streamline government programs into a 'one stop shop' to effect a more efficient process,
- ◆ links to the private sector must be strengthened, and
- ◆ training in business skills and knowledge.

The three key questions in the introduction to this research have been addressed quite well by both Bulldog and Bunjima. The key business success factors were highlighted in the analysis of the case studies. If government departments implemented all of these points it would certainly go a long way to improving their dealings with Indigenous businesses and it could be assumed that there would be a lot more successful businesses.

Linkages between social and commercial motivation is recognised by both case studies and there is the recognition by Bunjima as a family business that social and business areas must be separated.

The support provided by service agencies has been very little or none. The fact that both businesses are viable highlights the expertise, commitment and fortitude of the proprietors. They should be recognised for their best practice elements and promoted as good models through the Indigenous affairs business arena.

Elements for best practice in Aboriginal business involves:

- ◆ Good bookkeeping skills to enable people to always check entries and know and understand the information.
- ◆ Appropriate training to be provided so people have the skills to question everything.
- ◆ People must have experience and good grounding in business.
- ◆ Departments/funding bodies must have competent staff who have experience in business and who can provide the right advice.
- ◆ Business operators' profiles must be readily available in government departments so that operators in remote locations can be given assistance immediately.

- ◆ Public servants who work in departments that provide a service to the Aboriginal business arena must be trained in the geographical and environmental aspects of remote locations.
- ◆ The amount of time taken to assess funding applications must be shortened by government agencies to enable Aboriginal people to take advantage of business opportunities when they arise.
- ◆ Government departments must have monitoring and evaluation processes in place to enable them to address problem areas as they arise.
- ◆ Aboriginal business operators must be informed of and supported to attend business conferences to enable them to network, share good practice and gain knowledge to enhance their businesses.
- ◆ Aboriginal business operators must be provided with a mentor/s in the establishment phase of their business.
- ◆ Linking Aboriginal business to the private sector by government departments is essential to enable Aboriginal business to be seen as part of the mainstream commercial community.

If Aboriginal people are to succeed in business and if they are to throw off the shackles of welfare dependency and escape the cycle of poverty and depression then the government would do well to change their mindset and recognise and adopt these elements of good practice as espoused by the case studies and the submissions to government.

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## Appendix 1: Survey Questions and Analysis of Answers

|                                                                                      | Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Comments/Analysis                                                                                                                                                                                                                                                                                               | Common Success Factors                                                                                                                                                                                           | Best Practice Elements                                                                                                                                                                                                       |
|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Question: What were your reasons for establishing this type of business?          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                  |                                                                                                                                                                                                                              |
| CS 1                                                                                 | <ul style="list-style-type: none"><li>◆ Had 25 years experience in the earthmoving business</li><li>◆ Wasn't another dozer of its size D7H (caterpillar dozer) in the region to pick up business. Another operator had machinery but not one of this size.</li><li>◆ Worked at Gascoyne Junction and saw the need for the D7H and the type of worked involved.</li><li>◆ Gascoyne Junction Shire offered a certain number of hours</li></ul>                                                                                     | <ul style="list-style-type: none"><li>◆ Both businesses have extensive experience working in the earthmoving and transport industries.</li><li>◆ Both saw an opportunity and decided to establish their own operations.</li></ul>                                                                               | <ul style="list-style-type: none"><li>◆ Taking advantage of the opportunity to fill a gap in the industry</li><li>◆ Extensive working knowledge of the industry</li></ul>                                        | <ul style="list-style-type: none"><li>◆ Extensive working knowledge of the industry</li></ul>                                                                                                                                |
| CS 2                                                                                 | <ul style="list-style-type: none"><li>◆ Worked in the industry for a number of years.</li><li>◆ Pre-existing knowledge and contacts</li><li>◆ Opportunity arose to purchase truck</li></ul>                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                  |                                                                                                                                                                                                                              |
| 2. Question: What are the drawbacks in establishing a business in a remote location? |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                  |                                                                                                                                                                                                                              |
| CS 1                                                                                 | <ul style="list-style-type: none"><li>◆ Biggest drawback is no further contact was made from the funding bodies after funding had been allocated. If the government is concerned about where public dollars are spent then shouldn't there be some evaluation and monitoring process in place especially in terms of lone operators. Their policy seems to be "out of sight out of mind". The idea of letting people get on with the business and if there are any problems the business operators can contact them is</li></ul> | <ul style="list-style-type: none"><li>◆ Operating in a remote location makes it hard to build networks, source information and parts whenever there is a breakdown of the machinery/truck.</li><li>◆ Maintenance and repairs are expensive as is waiting time, and waiting time means loss of income.</li></ul> | <ul style="list-style-type: none"><li>◆ Knowing and understanding the issues of operating in a remote location</li><li>◆ Tackling problems instead of avoiding them</li><li>◆ The ability to persevere</li></ul> | <ul style="list-style-type: none"><li>◆ Knowing and understanding the issues of operating in a remote location</li><li>◆ Address problems when they arise and don't avoid them.</li><li>◆ The ability to persevere</li></ul> |

|      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |  |  |  |
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|      | <p>a recipe for businesses failing. If support is continued throughout the life of the funding allocation, and this means regular visits to businesses as well as contact through the electronic medium, there may be more successful businesses.</p> <ul style="list-style-type: none"> <li>◆ Being a lone business operator means that a lot of the time you operate in isolation and being in a very remote location means it's even harder to build networks, source information and parts whenever there is a breakdown of the machinery.</li> <li>◆ As a lone operator means that it costs me thousands of dollars every time I have a breakdown in terms of loss of income and expenditure for machinery parts. I can't afford the time it takes me to order parts over the phone and then have to wait for them to arrive as well as deal with the paperwork that all this involves.</li> <li>◆ Can't take time off to write funding applications so I'm at a disadvantage when contracts are advertised.</li> <li>◆ Funding bodies don't let you know about changes in the industry.</li> </ul> |  |  |  |
| CS 2 | <ul style="list-style-type: none"> <li>◆ Tyranny of distance</li> <li>◆ Poor communication systems</li> <li>◆ Maintenance and repairs are expensive – waiting time and transporting truck back to base</li> <li>◆ Time taken to search for appropriate parts</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  |  |  |

|                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                  |
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|                                                                                                             | <ul style="list-style-type: none"> <li>◆ Not being part of big business so don't have the luxury of having the use of another truck.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                  |
| <b>3. Question:</b> What support did you receive from service providers such as ATSIC, IBA, DIA, DLGRD etc? |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                  |
| <b>CS 1</b>                                                                                                 | <ul style="list-style-type: none"> <li>◆ It's taken time to establish support from the Gascoyne Shire and Local Government and since then the Shire has bent over backwards to keep me operating. This benefits them and me as they can apply for funding and its in their best interest to support Indigenous business.</li> <li>◆ I get no support from the Carnarvon Shire even though they know about my operations and I have my office based in Carnarvon.</li> <li>◆ After eight years of operating a representative from the IBA which took over the enterprise operations following the demise of ATSIC, through whom the initial funding was allocated, a representative of IBA finally visited. To meet someone from the funding body in person and talk personally about the operations of the business was a surprise and now means there is a "real" person I can contact in IBA.</li> </ul> | <ul style="list-style-type: none"> <li>◆ A lot of Aboriginal people are disadvantaged when dealing with government due to their elongated processes for approval for funding.</li> <li>◆ If funded through the government, it seems that's the only role it wants to play in the operations of the business</li> </ul> | <ul style="list-style-type: none"> <li>◆ Both highlighted the difficulties of dealing with government</li> <li>◆ Government need to take a more holistic approach to supporting Indigenous businesses. This was one of the recommendations made by Miller (p 307) and again in the RCIADIC (p 843)</li> </ul> | <ul style="list-style-type: none"> <li>◆ Government need to take a more holistic approach to supporting Indigenous business and ensure businesses are supported in every possible way</li> </ul> |
| <b>CS 2</b>                                                                                                 | <ul style="list-style-type: none"> <li>◆ Advice was provided by ATSIC and given paperwork but the process was too long so had no alternative but to seek funding elsewhere to take advantage of purchasing the truck.</li> <li>◆ Sought funding through AGC, paperwork</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                  |

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|                                                                                                 | <p>was completed and faxed through and approval was given over the phone. This involved a fraction of the time.</p> <ul style="list-style-type: none"> <li>◆ The process with ATSIC disadvantages a lot of people.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |     |     |     |
| <b>4. Question:</b> Did you encounter any problems with funding, advice given, ongoing support? |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |     |     |     |
| <b>CS 1</b>                                                                                     | <ul style="list-style-type: none"> <li>◆ There was no follow-up support until a representative from the IBA visited after eight years of operating the business.</li> <li>◆ I contacted the IBA for additional funding to expand my business recently and found my contact was on leave. I spoke to another staff member in the organisation and they requested I send them all my details. I explained all this was on files that they already had and besides I didn't have the time to go through my files and resend them all the information.</li> <li>◆ The amount of paperwork that government requires is ridiculous. If the bank can give an answer in a matter of days why can't the government?</li> <li>◆ The attitude of the staff in the IBA doesn't instil confidence in me as a business operator. When I ask questions about my business and they can't provide me with an answer I question their business qualifications considering the field in which they work. They immediately take this as a personal attack. But I need answers and support and if the funding body can't provide that then I'm in deep trouble.</li> <li>◆ I haven't missed a payment since</li> </ul> | A/A | A/A | A/A |

|                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                 |  |                                                                                                                                                                                                                          |
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|                                                                                                                                                                                                           | commencing the business and this should be a sign to them that I'm committed to making it a success. I'd like to think they have a part to play in the establishment and ongoing operations of a business but they seem to adopt the attitude "out of sight out of mind". I'm sure that they would have no hesitation however, in identifying a successful high profile business that is funded through them albeit the operators probably did it themselves.                                  |                                                                                                                                                                                                                                                                                                                                                 |  |                                                                                                                                                                                                                          |
| CS 2                                                                                                                                                                                                      | Yes A/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                 |  |                                                                                                                                                                                                                          |
| 5. Question CS 1: How were you employed to carry out the jobs/projects you have done to date? Did you have to tender for each?<br>Question CS 2: How did you establish links with the transport industry? |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                 |  |                                                                                                                                                                                                                          |
| CS 1                                                                                                                                                                                                      | I had to tender for the Shire job but before that I was personally recommended by people who knew of my ability and experience. Had to make the time to do the paper work and work out the budget for the job.                                                                                                                                                                                                                                                                                 | <ul style="list-style-type: none"><li>◆ Both businesses had links to the industries</li><li>◆ Both have experience and knowledge of the areas</li></ul>                                                                                                                                                                                         |  | Know the area within which you are planning to work                                                                                                                                                                      |
| CS 2                                                                                                                                                                                                      | Links already existed with a family member already working in the area.                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                 |  |                                                                                                                                                                                                                          |
| 6. Question: What were the problem areas?                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                 |  |                                                                                                                                                                                                                          |
| CS 1                                                                                                                                                                                                      | <ul style="list-style-type: none"><li>◆ There is still the problem in some areas that contractors want to hire a "white fella" instead of a "black fella". And when they do hire a "black fella" they want them to do the jobs at the cheapest rates.</li><li>◆ A straight talking knowledgeable "black fella" doesn't sit well with some of the contractors.</li><li>◆ Isolation means there's no access to other earth moving companies for networking. I usually have to phone my</li></ul> | <ul style="list-style-type: none"><li>◆ Seems every now and then racism still rears its ugly head. Some of the "squatters" and "cockies" still don't like talking to "flash blacks".</li><li>◆ Many pastoralists want Aboriginal stockmen but they want them at the cheapest price, usually negotiating through CDEP. This researcher</li></ul> |  | <ul style="list-style-type: none"><li>◆ Government to be proactive in providing support to remote businesses ie Business officer from IBA to regularly visit businesses and assist business in writing tenders</li></ul> |

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|                                                                                                                                                                                                               | <p>own contacts for a yarn about what's happening in the industry and to swap ideas. This is very expensive when done over a satellite phone.</p> <ul style="list-style-type: none"> <li>◆ There's never been any offers from ATSIC/IBA to attend conferences or workshops where I can get information and develop networks.</li> <li>◆ Price of fuel and repairs</li> <li>◆ Accreditation for truck and trailers for road worthiness</li> </ul> <p>The amount of paperwork that I'm expected to do on behalf of the government eg they require me to work out my fuel rebate; why</p> | <p>has first hand knowledge of this through stories related through family members.</p> <ul style="list-style-type: none"> <li>◆ There is no support or circulation of information regarding conferences or workshops to enable operators to increase networks and knowledge.</li> <li>◆ Remote operators are virtually shut out of the tendering process</li> <li>◆ Businesses are burdened with paperwork</li> </ul> |  |                                       |
| <b>CS 2</b>                                                                                                                                                                                                   | Tried to expand into other areas eg mining but didn't have the time to write tenders that were "acceptable".                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                                       |
| <b>7. Question CS 1:</b> Are you recognised as a preferred provider of earthmoving/roadworks contracts?<br><b>Question CS 2:</b> Are you a preferred provider of Aboriginal services to the mining companies? |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                                       |
| <b>CS 1</b>                                                                                                                                                                                                   | <ul style="list-style-type: none"> <li>◆ Only in the Shire of Upper Gascoyne although the "squatters" still rather hire white contractors.</li> <li>◆ There's still a lot of work that I don't hear about only after contracts have been awarded.</li> </ul>                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                                       |
| <b>CS 2</b>                                                                                                                                                                                                   | Was a preferred provider to Aboriginal agencies such as Goomalla but this meant dropping other business to accommodate them.                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                                       |
| <b>8. Question:</b> How has your business impacted on you and your community?                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                                       |
| <b>CS 1</b>                                                                                                                                                                                                   | <ul style="list-style-type: none"> <li>◆ The community hasn't shown any interest.</li> <li>◆ Personally, the business gave me direction as it has enabled me to use my</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                      | <ul style="list-style-type: none"> <li>◆ Sole operator is not only isolated in terms of distance but also in terms of being alone.</li> </ul>                                                                                                                                                                                                                                                                          |  | Social and business must be separated |

|                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                      |                          |  |
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|                                                                       | <ul style="list-style-type: none"> <li>experience and knowledge.</li> <li>◆ In 2008 I will have repaid my ATSIC loan and in 2010 it might be a good time to buy some new machinery.</li> <li>◆ I do take notice of the trend in big companies.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <p>The absence of peers means there's no-one with whom to discuss ideas or problems.</p> <ul style="list-style-type: none"> <li>◆ Family support is valuable and important.</li> <li>◆ Family business means that everyone benefits in some way.</li> <li>◆ Family businesses have <b>to be careful to ensure the social and business components are separated. This sometimes means you can't employ all 'your mob'.</b></li> </ul> |                          |  |
| CS 2                                                                  | <ul style="list-style-type: none"> <li>◆ The business is a family business that has created employment for the family, provided status and signifies achievement in the Aboriginal community.</li> <li>◆ Provides income for the family</li> <li>◆ Extended family has been involved in one way or another eg provided the opportunity for family members to get their truck driver's licence which has enabled them to find employment and sometimes has transported goods for the family without having to pay transport costs.</li> <li>◆ Recognising the boundaries between family members and family needs – home and business</li> <li>◆ Unfortunately being a small business means that there are no huge profits consequently some family members have left and have taken the opportunity to work in the mining industry.</li> <li>◆ Time involved in the business means there's no time to do other things.</li> <li>◆ There is a stigma in the community about not employing your "own mob"</li> </ul> |                                                                                                                                                                                                                                                                                                                                                                                                                                      |                          |  |
| <b>9. Question:</b> How has it affected employment/capacity building? |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                      |                          |  |
| CS 1                                                                  | A/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | ◆ Business empowers Aboriginal people,                                                                                                                                                                                                                                                                                                                                                                                               | ◆ Empowerment and status |  |
| CS 2                                                                  | ◆ Provided the opportunity to have more                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                      |                          |  |

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|                                                                                                                                                                             | <ul style="list-style-type: none"><li>control over own lives</li><li>◆ Provides employment for family members</li><li>◆ Owner driver status; running own business</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | providing employment and status                                                                                                   |                           |                                              |
| 10. Question: Does it involve using cultural knowledge?                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                   |                           |                                              |
| CS 1                                                                                                                                                                        | <ul style="list-style-type: none"><li>◆ In some ways yes especially in the country in which I am operating. I've spoken to the traditional owners and suggested they advise the Shire of the location of sacred areas and to catalogue these sites. I also suggested they fence these areas so CALM and others would know where these areas are as CALM are reclaiming all old pastoral leases.</li><li>◆ Provided advice on possible enterprises eg fish farming, provision of services to mining companies, tourism etc.</li><li>◆ The local community (Burringurrah) sees the government instigated swimming pool as 'bureaucratic bullshit'.</li></ul> |                                                                                                                                   |                           |                                              |
| CS 2                                                                                                                                                                        | Not really                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                   |                           |                                              |
| 11. Question CS 1: How have you balanced heritage and cultural issues with earthworks?<br>Question CS 2: How have you balanced heritage and cultural issues with transport? |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                   |                           |                                              |
| CS 1                                                                                                                                                                        | A/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | ◆ Owner operators don't have the luxury of spare time however there is the flexibility to attend cultural business when necessary |                           |                                              |
| CS 2                                                                                                                                                                        | <ul style="list-style-type: none"><li>◆ Have the flexibility to enable family to participate in cultural business whenever necessary</li><li>◆ A senior member of the family is a member of IBM</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                   |                           |                                              |
| 12. Question: In what ways has the business improved the social and well being of yourself and community?                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                   |                           |                                              |
| CS 1                                                                                                                                                                        | See question 8                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | ◆ Provided status and employment                                                                                                  | ◆ Provision of employment | ◆ Owner operator gives status and employment |
| CS 2                                                                                                                                                                        | ◆ Status of having a truck in the family                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                   |                           |                                              |

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|                                                                                                                                            | <ul style="list-style-type: none"><li>◆ Gives family hope</li><li>◆ Keeps family in employment</li></ul>                                                                                                                                                                                                                                           | <ul style="list-style-type: none"><li>◆ Provided opportunity to use knowledge and experience</li></ul>                                                                         | <b>direction</b>                                                                                                               |                                                                                                                                 |
| <b>13. Question:</b> How has the business fared financially? Is the business making a profit or are you still relying on grants and loans? |                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                |                                                                                                                                |                                                                                                                                 |
| CS 1                                                                                                                                       | I'm presently in a position of being able to repay my loans.                                                                                                                                                                                                                                                                                       | <ul style="list-style-type: none"><li>◆ Despite difficulties with <b>the government both businesses are operating well through sheer hard work and determination</b></li></ul> | <ul style="list-style-type: none"><li>◆ Determination and hard work provided the ability to continue to repay loans.</li></ul> | <ul style="list-style-type: none"><li>◆ Preparedness to work hard and put in long hours.</li></ul>                              |
| CS 2                                                                                                                                       | <ul style="list-style-type: none"><li>◆ Business is not losing money; can pay bills</li><li>◆ Making enough money to enable family to buy assets eg another truck, office equipment and a four wheel drive</li><li>◆ Have never relied on grants</li><li>◆ Paying off the truck</li></ul>                                                          |                                                                                                                                                                                |                                                                                                                                |                                                                                                                                 |
| <b>14. Question:</b> Can the business be improved?                                                                                         |                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                |                                                                                                                                |                                                                                                                                 |
| CS 1                                                                                                                                       | I brought a new machine (Luigong excavator) which gives more scope to the work I do eg stockpiling                                                                                                                                                                                                                                                 | <ul style="list-style-type: none"><li>◆ Businesses can expand given the right support</li></ul>                                                                                |                                                                                                                                | <ul style="list-style-type: none"><li>◆ Government support needed in all facets of business development and expansion</li></ul> |
| CS 2                                                                                                                                       | Business can expand once the truck is paid for. This will also allow the family to do other things eg driver/s can undertake training to pursue other interests                                                                                                                                                                                    |                                                                                                                                                                                |                                                                                                                                |                                                                                                                                 |
| <b>15. Questions:</b> Have you pursued support to have the improvements realised?                                                          |                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                |                                                                                                                                |                                                                                                                                 |
| CS 1                                                                                                                                       | Yes. Approached IBA but their process was too long and there were no competent staff to provide immediate information. Their request for paperwork that they already had and the time taken to approve funding left me with no choice but to seek funding from the bank which was approved in a matter of days. I purchased the Luigong excavator. | A/A                                                                                                                                                                            |                                                                                                                                | A/A                                                                                                                             |
| CS 2                                                                                                                                       | Yes. Tried to get support from extended family business (Gumalla)                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                |                                                                                                                                |                                                                                                                                 |
| <b>16 Question:</b> If so were the negotiations positive or negative?                                                                      |                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                |                                                                                                                                |                                                                                                                                 |
| CS 1                                                                                                                                       | A/A                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                |                                                                                                                                |                                                                                                                                 |
| CS 2                                                                                                                                       | A/A                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                |                                                                                                                                |                                                                                                                                 |

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| <b>17. Question:</b> What are the future projections for the business?                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                          |  |  |
| <b>CS 1</b>                                                                                                             | <ul style="list-style-type: none"> <li>◆ Sit tight and pay off loans.</li> <li>◆ Depends on the Shire and their budget. If that gets cut then may have to look for work elsewhere like Tom Price and operate someone else's machines unless they can use my machines. It's no use rushing to work for big companies as they only give you "shit" work that requires you to work your machines to death. It's very hard to just pack up and move.</li> <li>◆ Fuel prices will have huge impact. The Shire reckons contractors were stealing the fuel so now I have to supply my own.</li> </ul> | <ul style="list-style-type: none"> <li>◆ Both want to expand however things like fuel prices and operating costs inhibit this</li> </ul> |  |  |
| <b>CS 2</b>                                                                                                             | Want to incorporate the business into the family/extended family community operations where it can provide transport training, transport for the community as well as undertake work with the mining companies.                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                          |  |  |
| <b>18. Question:</b> What would be the components of a best practice model for Indigenous business in remote locations? |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                          |  |  |
| <b>CS 1</b>                                                                                                             | <ul style="list-style-type: none"> <li>◆ Good bookkeeping. Always check entries and know and understand the information.</li> <li>◆ Appropriate training has to be provided so people have the skills to question everything.</li> <li>◆ People must have experience and good grounding in business.</li> <li>◆ Departments/funding bodies must have competent staff who have experience in business and who can provide the right advice and not keep "palming" people off to other people. Time is money and lone operators don't have the luxury of time.</li> </ul>                        |                                                                                                                                          |  |  |

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|             | Departments must be streamlined so that information is readily available on the computer. I'm usually doing business by Satellite phone so can't "hold" or ring back.                                                                                                                                             |  |  |  |
| <b>CS 2</b> | <ul style="list-style-type: none"> <li>◆ Has to be based around family and the needs of the family</li> <li>◆ Has to have the flexibility to allow family to attend cultural events</li> <li>◆ The business has to make money, be economically viable but has to also meet the needs of the community.</li> </ul> |  |  |  |

## Appendix 2: Letters to Survey Participants

The Director,

1st February, 2006

Dear,

**Honours Research Project:  
Making Family and Community Strong Through Small Business**

Thank you for agreeing to participate in my research project. I would like to formally invite XXX to participate in this important project.

The purpose of this study is to find out:

- what are the key business success factors for existing remote businesses;
- what are the key linkages between social and commercial motivation and outcomes in enterprises involving Aboriginal people; and
- what support has been provided by service agencies and how effective has this support been.

The inclusion of your business is important to this study. Having your issues profiled as part of the overall research findings will have significant benefits to your organisation. The findings will be used to inform further research as well as provide funding bodies/service providers with information that will enhance and improve their support and the way they do business with Aboriginal people.

I would like to meet with key personnel involved in your business who can provide information on the different facets of your operations. All information given during the research will be confidential with the final report being designated for University examiners only unless you agree on public circulation.

Feedback on the study will be provided to participants during and after the project.

If you have any questions about this project please feel free to contact me on 08 9360 7310.

My project supervisor is Dr Martin Anda and you are welcome to contact him also on 08 9360 6123 for further details.

I am happy to discuss with you any concerns you may have on how this study has been conducted, or alternatively you can contact Murdoch University's Research Ethics Committee on 9360 6677.

Participants can decide to withdraw their consent at any time. All information given during the survey is confidential and no names or other information that might identify you will be used in any publication arising from the research. Feedback on the study will be provided to participants by regular telephone calls, meetings and correspondence during the project. I will also send you a final draft report for comment.

Yours truly,

Mara West  
Honours Student

Honours Research Project by Mrs Mara West (0407 951 363, fax: 08 9360 7311):  
Making Family and Community Strong Through Small Business

Questions for XXX:

1. What were your reasons for establishing this type of business?
2. What are the drawbacks in establishing a business in a remote location?
3. What support did you receive from service providers such as ATSIC, IBA, DIA, DLGRD etc?
4. Did you encounter any problems with funding, advice given, ongoing support?
5. How did you establish links with the transport industry?
6. What were the problem areas?
7. Are you a preferred provider of Aboriginal services to the mining companies?
8. How has your business impacted on your family and your community?
9. How has it affected employment/capacity building?
10. Does it involve using cultural knowledge?
11. How have you balanced heritage and cultural issues with transport?
12. In what ways has the business improved the social and well being of your family and community?
13. How has the business fared financially?
14. Is the business making a profit or are you still relying on grants and loans?
15. Can the business be improved?
16. Have you pursued support to have the improvements realised?
17. If so were the negotiations positive or negative?
18. What are the future projections for the business?
19. What would be the components of a best practice model for Indigenous business in remote locations?