

**Keynote Address by Joseph Elu  
Chairman  
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WAITOC Conference - Indigenous Tourism

Alice Springs  
Wednesday 20 September 2006  
(Check against delivery)

**‘Globalisation and the New Market Reality’**

Distinguished guests, ladies and gentlemen.

I would like to start by acknowledging the traditional owners of the land on which we meet today. We respect their culture and the contribution they make to the life of this region.

Few would argue with me when I say that children are the lifeblood of this nation. Why, then, do we read daily in the Press or see repeatedly on our television sets disturbing reports of alcohol abuse, drug taking, petrol sniffing and indiscriminate violence within so many Indigenous communities?

It is deeply disturbing because, by default, we are witnessing the decline and wilful degradation of a heritage that can be traced back 40,000 years.

As Chairman of Indigenous Business Australia, which is a government statutory authority responsible for advancing the economic wellbeing of Aboriginal and Torres Strait Islander people, I say it is time to rectify that sad situation.

In my view we must take it upon ourselves, as Indigenous elders, to set an example for our children and the generations to come of how to live more meaningful lives in pursuit of happiness and prosperity in their own land.

We can start by endorsing the worthwhile attributes of hard work and diligence, of staying on at school, or where possible of attaining tertiary achievements through higher education. I make these points because it is self evident that education offers Indigenous Australians a lifeline to escape the poverty and uncertainty faced by so many of our people today.

I go further. There is a crying need to take the initiative, to regain the trust and respect of our children and in particular, to convince young adults to become high achievers rather than no-hopers because of some of the injustices inflicted on generations long gone.

And yet, changing years of self-abuse or perceived abuses that have left Indigenous groups with psychological scars and dysfunctional communities, is no easy challenge.

In the business sense IBA is attempting to redress the imbalance by engaging directly with Aboriginal and Torres Strait Islander individuals and communities to make them self sufficient.

Our strategic objective is to encourage individuals to break the welfare cycle, which is a trap into which many have fallen, by furthering their education, polishing their skills and going into business for themselves.

We do so for two specific reasons: First because wealth creation is a key part of the IBA Charter that determines our rules of engagement both with the public and the private sector.

And second because of my own belief that only by increasing the current low level of Indigenous wealth can we compete on an equal footing with our fellow Australians who are doing well in these times of plenty.

Many of you know that IBA already provides skills training and mentoring to Aboriginal and Torres Strait Islander individuals, groups or communities that are interested in business. We also provide access to business finance at rates well below that of major financial institutions.

The object is to encourage Indigenous people into joining the economic mainstream – if you like to become Aboriginal and Torres Strait Islander yuppies – because that is where our greatest hope lies of creating the level of wealth we need for our own salvation.

It is not an insurmountable hurdle. After all we live in a capitalist democracy where global issues and national trends filter through even to the small business sector in which IBA operates.

Dr Peter Shergold, Secretary of the Department of Prime Minister and Cabinet, said at the recent First Nations Economic Opportunities Conference in Sydney that economic development cannot be driven by Government alone. He described it more as a team effort driven by entrepreneurs – individuals like you and me – who can spot the opportunities no one else can and who deliberately sets out to exploit that niche in the market.

So Dr Shergold is right. Governments can provide support to get new businesses off the ground, or invest in developing the skills of the unemployed, but that is where their role ends.

The hard-edged business side is up to the private sector where those with both vision and courage take a calculated risk to reach an attainable goal with the potential to generate wealth.

This process offers IBA an exciting challenge because we happen to believe that Aboriginal and Torres Strait Islanders need to skill themselves fast to be part of this next development wave. Success in retail most often comes from businesses able to combine a variety of elements to turn a profit. Factors that earn a tick include good location, plenty of passing trade, motivated staff and a steady cashflow.

Remove any one and the business is on shaky ground, which is why they are among the elements IBA looks for when assessing applications for support or funding.

I happen to agree with Dr Shergold's estimation that Australia is at least a decade behind countries like Canada, the United States and New Zealand in terms of Indigenous economic development.

If we are right then it is a problem IBA must quickly overcome, not only to redress the imbalance between Indigenous wealth and the economic assets enjoyed by the rest of Australia, but to position ourselves for the next boom cycle.

Canadian delegates at the First Nations conference told how their country has an ageing population and how companies like Energy Canada and mining groups are filling job vacancies with skilled Indigenous workers.

Sound familiar? Australia is faced with a similar ageing workforce and the mining sector is going gangbusters. Just read your daily newspapers and you'll see what I mean.

But the really good news is that Australia's Indigenous population is on the rise. In the 1971 Census there were 125,000 Indigenous Australians. Today that official figures show there are more than 500,000 people who qualify for that privilege with a very large percentage under the age of 18.

By definition it also means that Indigenous populations are growing in regional towns like here in Alice Springs, in Broome, in Cairns, Darwin, Dubbo and even Kununurra.

To quote Dr Shergold: 'If demographics is destiny, then the destiny of these places will need to accommodate Indigenous engagement within the open labour market and with the kind of asset and wealth creation the rest of Australians enjoy'.

Ladies and gentlemen, put simply, the head of the Australian Public Service is inviting Indigenous Australians to join the economic revolution that has engulfed the rest of the developed world.

That gives IBA the best opportunity yet of harnessing government funding and business know-how to skill Aboriginal and Torres Strait Islanders to join the economic mainstream.

Nor should Indigenous Australia presume that Indigenous economic development is solely for the benefit of their own local communities, organisations or individuals.

The new reality is that Indigenous economic development benefits all Australians and advances the nation's position in the wider global economy. Just as in Canada, the United States, New Zealand and South Africa, First Nations people in Australia have a golden opportunity to prepare for business by embracing IBA and learning from the joint venture models in which we engage with the private sector.

A recent impediment to Indigenous economic progress was the belief that individual home and land ownership was contrary to traditional culture in which communal ownership was sacrosanct.

It may be true that tribal elders once discouraged private ownership. They believed instead that commercial activity distanced us from the shared responsibility Aboriginal and Torres Strait Islander people have taken upon themselves to nurture the land.

Those days are long gone. Unless Indigenous Australia accepts the challenge to educate its children and skill its young adults to engage in business at every level, from grassroots to Boardroom, our civilisation and culture will go the way of the dodo. It will become extinct.

The reason is that home ownership and land tenure are key tenets of today's business environment. No longer do we rely on local or regional trade but on global trade and Indigenous Australia simply cannot afford to remain a passive bystander.

After all market economies are finely tuned to survive and prosper in this frenetic environment that once seemed hostile to Indigenous Australia. Quite literally ownership is now the panacea, because it leads to wealth creation and wealth means power.

As Chairman of the community-based Seisia Council, not even my home island at the tip of Cape York with its natural beauty and tropical location, finds it easy to motivate young people let alone generate jobs.

That inability to match jobs with expectations is a common problem in Indigenous communities, especially in remote areas where tourism offers a lifeline we can ill afford to ignore.

Not for nothing does tourism feature prominently in the IBA Investment portfolio with 31 separate projects whose combined asset base is worth more than \$140 million.

More than \$18 million is directly invested in projects like the Tjapukai Aboriginal Cultural Park in Cairns; the Gagudju Crocodile Holiday Inn and Gagudju Lodge Coinda at Kakadu; and of course icons like the Monkey Mia Dolphin Resort in WA and Fitzroy River Lodge, among many others.

Under the Australian Government's newly-defined Indigenous Economic Development Strategy, a welter of State and Federal departments and agencies are ready to help the estimated 282,200 Indigenous people aged 15 and over into employment.

A key element is to source local jobs for local people which offers IBA a flying start in attempting to skill Indigenous people for local businesses in the tourism sector. Our simple strategy is to make young people business savvy, to embolden them through training and the provision of loans and other incentives to enter the economic mainstream with confidence.

It is my fervent hope that engagement with IBA and ultimately the private sector will offer long term salvation for Indigenous Australia.

And if that sounds pretentious then consider the alternatives – a lifetime of welfare dependency, declining health standards through alcohol abuse and petrol sniffing, and increasing rates of incarceration.

Indigenous business complacency is a dilemma we must solve together if our people, particularly those in remote communities, are to regain confidence and develop self-esteem.

For those of you who don't know about our programmes, IBA Enterprises provides the vital skills training that is already developing a stream of graduates committed to making their way in business.

I was personally gratified to see more than 100 young people attend our First Nations Youth Forum in Sydney in July, where guest speakers like Aden Ridgeway and AFL star Jason McCartney impressed upon them the importance of taking the initiative by improving their skills before choosing a final destination in business.

IBA Homes is another programme intended to increase the current level of Indigenous wealth. In 2004-05 it serviced 3425 active loans valued at \$366 million and received more than 5100 fresh inquiries for assistance. More than 12,000 families have so far been assisted by this programme.

IBA Investments does what its name suggests – it invests money in soundly-based commercial ventures, either in partnership with Indigenous individuals, groups or communities and largely with input from the private sector.

The advantages gained from home ownership are obvious. Among Indigenous populations owning your own home is a stabilising influence associated with a higher probability of mainstream employment and a lower probability of being charged with a criminal offence. It also minimises the incidence of Indigenous family violence and provides a starting point to accumulate family wealth that often leads to financial security.

IBA's joint ventures in the mining sector are proving profitable and I can assure you the IBA Board is determined to continue identifying, researching and supporting any other viable opportunities that come our way.

Whether it is in the retail sector, mining, through investments in real estate or in tourism, it is up to you as the next generation to achieve. Make no mistake your entrepreneurial efforts will decide what level of mentoring or other form of support your venture will need to succeed and, ultimately, where IBA puts its money.

The only limit to progress is what you, as the key drivers of Indigenous tourism in Australia, can do to induce local and overseas visitors to share an Aboriginal or Torres Strait Islander moment with us every time they travel.

Tourism Minister Fran Bailey is on record as saying that 25 per cent of all foreign visitors to Australia confirmed in a recent survey that they had missed out on an Indigenous tourism experience.

I implore you not to let that happen again. Twenty five per cent is a market share Indigenous Australia cannot afford to miss out on, so I urge you to plug that gap by inventing innovative products that hit the tourist mark.

As First Nations people we have the innate knowledge and energy not only to own and operate resorts to fill this void, but the wisdom to team with IBA to achieve the standards expected of a First World country and the resources to succeed.

I thank you.

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