

## **Statement to the EMRIP session Geneva 2017.**

### **Nyunggai Warren Mundine – Australia's Indigenous Business Advisor**

I do not know any people who have lifted themselves out of poverty without commerce and economic development.

In Australia in the past 13 years we have realised that government programs have not closed the gap between Indigenous and non-Indigenous Australians.

This year we celebrate 2 incredible milestones of Australia's history. The first is the 50<sup>th</sup> Anniversary of the 1967 Constitutional Referendum and the second is the 25<sup>th</sup> Anniversary of the 1992 High Court Mabo decision.

These two landmark events have given Indigenous people the leverage for socio-economic opportunities.

The 1967 Constitutional amendments saw the end to segregation in Australia and led to Land Rights Legislation across Australia. This saw the returning of large tracts of land to Indigenous people; the creation of Indigenous medical and legal services; access to mainstream education.

The 1992 Mabo High Court decision led to the recognition of Indigenous prior occupation of Australia under British common law, the recognition of native title. This has given Indigenous people a seat at the table for most mining and other primary industry projects across Australia as well as other opportunities.

It is also as a result of these two momentous changes that Indigenous people have come to realise that land is not enough. We have become land rich, but dirt poor. We need Indigenous owned businesses, investment and economic participation and growth to have real empowerment and self-determination. To lift us out of poverty.

Since 2004 there have been debates over how we can, and even whether we should, use land as an economic asset. We have started to embrace private home ownership, even on traditional lands, and have seen the development of government policies that create the environment for sustainable economic participation and growth for Indigenous people.

Since 2007 the focus on Indigenous economic outcomes and the development of Indigenous businesses have resulted in changes within Indigenous communities and in government policies.

The Federal Government's Indigenous Procurement Policy is one of the most successful Indigenous policies implemented by any government since Australia's federation in 1901.

Since 1 July 2015 the value of Federal Government contracts awarded to Indigenous owned business has increased from \$6 million annually to around \$300 million. That's within 2 years.

The push now is on for State, Territory and Local Governments to follow suit. And for Corporate Australia to do the same. This would add several billion dollars' worth of direct Indigenous economic participation.

Our next big challenge is to create small to medium Indigenous businesses in remote and regional Australia, where Indigenous people are over-represented and where economic activity is lower than the rest of Australia. And to build the capacity of people in those communities to run their businesses through education, governance and business training.

We live in exciting times in Australia and it is only through commercial, profit making businesses that Indigenous people will truly be able to manage our own future.

Indigenous peoples can only be economically empowered if they participate in the real economy. Whoever you are and wherever you live, the building blocks of economic participation are the same – they are education, jobs and business ownership. Governments and non-government organisations who want to see indigenous economic development should therefore focus their efforts – and importantly their funding – on initiatives that will deliver or increase education, jobs and business ownership.

It's also important to set clear, measurable outcomes. A program is only as good as the outcomes it delivers. Australia had an Indigenous Procurement Policy for several years but the targets were only aspirational and only \$6 million by 2013. Then the government set a deadline of 2020 to achieve 3 per cent of contracts being awarded to Indigenous owned business, 3 per cent being the percentage of Indigenous Australians in the Australian population and it linked these targets to departmental KPIs which were regularly reported. Within eleven months over a thousand contracts were awarded to Indigenous-owned businesses worth over \$200 million in total.

So there are two questions we should always ask about initiatives to increase indigenous economic empowerment: "How does this increase economic participation?" and "How will I know?"

When I was appointed to chair the Prime Minister's Indigenous Advisory Council in 2013 I received criticism in the media, and social media especially, for talking so much about getting kids to school and adults into work. People said things like: "Is that all you have? These are complex problems and your solutions are simplistic."

But imagine if every single Indigenous child went to school and every single Indigenous adult went to work, every day. Achieve just those two "simplistic" steps and the gap between Indigenous and non-Indigenous people would almost completely close within a generation or less. Why do I believe that so strongly? Because I've seen it happen. Within my own family and in many other families. And, on a global stage.

**Nyunggai Warren Mundine AO**