



10 April 2015

Via email: REDS.review@ecodev.vic.gov.au

Dear External Advisory Board

**Review into Regional Economic Development Strategy and Service Delivery Model**

The Federation of Victorian Traditional Owner Corporations (the Federation) is pleased to respond to the government's request for community input into the above review.

The Federation is the peak body representing Traditional Owner Corporations in Victoria. Around 65% of Victoria is covered by Traditional Owner Corporations with legal rights and interests and statutory responsibilities under the *Traditional Owner Settlement Act 2010 (Vic)*, the *Native Title Act 1993 (Cth)*, or as Registered Aboriginal Parties under the *Aboriginal Heritage Act 2006 (Vic)*. Traditional Owner Corporations represent thousands of individual members and, alongside our legal rights and interests, also manage collectively owned assets including land and capital on behalf of current and future members.

Traditional Owner Corporations are leaders in their local communities with strong connections to Country, a key stake in the management of regional infrastructure and a significant contribution to make across regional Victoria in job creation and regional economic development. They have a long term and intergenerational outlook and represent a 'forever' institution with a role that transcends the business or social issues of the day, making them a significant partner in creating regional futures.

Please find enclosed economic fact sheets which provide useful background information for your review and our submission which focusses on strengthening the contribution of Traditional Owners to planning, service delivery and long term prosperity in the regions.

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**Federation of  
Victorian Traditional  
Owner Corporations**

We would be pleased to make ourselves available for consultation on any further issues that the Board may be considering in its discussions of how to Grow Regional Victoria.

Yours sincerely

Janine Coombs

Chairperson



## Summary of Recommendations

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*The mix of structural, governance and strategic models for regional service delivery, best suited to promoting long term prosperity in regional Victoria.*

1. Traditional Owner Corporations should be considered a partner in any governance or strategic model for regional service delivery, including by:
  - a. Integrating Traditional Owner objectives into long term regional strategic planning; and
  - b. Increasing the participation of Traditional Owners as directors and decision-makers on key boards and committees impacting on regional development.
2. Develop preferential procurement policies at State and local government levels that drive Aboriginal employment and enterprise development and enable the growth of Traditional Owner Corporations as regional service delivery partners
3. Develop mechanisms for closer government and industry engagement with Traditional Owner Corporations as a means of driving innovation, growth and productivity in regions



**1: Traditional Owner Corporations should be considered a partner in any governance or strategic model for regional service delivery**

Traditional Owner Corporations have on-going legal interests in the large public estate and statutory responsibilities for heritage protection and land management. Due to the population characteristics of their membership (detailed in the attached factsheets), Traditional Owner Corporations have a commitment to regional economic growth and jobs as a means for creating long term prosperity and overcoming disadvantage. Traditional Owner Corporations have a growing asset base, a commitment to their regions, and are looking for ways to invest for growth through market activity which at the same time creates employment and skills development opportunities for their members. All of this makes them a natural partner for government in the regional delivery of public lands management, an important stakeholder for industry seeking land access to develop natural resources or create unique tourist offerings and key participants in the governance architecture driving regional development, whether local governments, tourism and regional development authorities, Traditional Owner Land Management Boards, water management authorities, etc.

Regional level planning and in particular developing strong regional strategies that leverage strengths and identify gaps is a key tool for shaping and prioritising infrastructure investments to be made by government and in providing certainty and consistency to private investments. Integrating the priorities and strategies of Traditional Owners into regional level planning is an important step towards ensuring the comparative advantages of a region can be developed.

A holistic and long term planning approach that integrates the broader social, economic and sustainable use and development of the natural environment alongside the built environment is critical to the long term prosperity of regions. A joint approach towards planning for the future enabling full and strategic engagement is therefore required. However, often there is

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limited capacity to participate in multiple boards and committees, and even more limited understanding of the roles and functions of the Traditional Owner Corporations. This requires a focused approach to developing the frameworks and methods of engagement region by region.

A recent Victorian example where Traditional Owner objectives have been successfully integrated into regional strategies is in the South-West Barwon regional strategy, where the Budj Bim Master Plan has helped strengthen a key strategy for the region relating to tourism, helping to identify subsequent strategic actions for infrastructure development and related investment.

The recently released *Empowered Communities: Empowered Peoples Design Report* is a useful contribution about the design of governance and service delivery models to ensure that government and Traditional Owners are working together to develop policies and programs that address local priorities and local needs.<sup>1</sup> We commend it to the panel as background material.

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<sup>1</sup> *Empowered Communities: Empowered Peoples Design Report* at <http://www.dpmc.gov.au/sites/default/files/publications/EC%20Report.pdf> accessed 9 April 2015

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**2: Develop preferential procurement policies at State and local government levels that drive Aboriginal employment and enterprise development and enable the growth of Traditional Owner Corporations as service delivery partners**

Services delivered in regions need to be connected to the people of those regions, and be responsive to regional priorities and differences. A key way to achieve this is through procurement of those services from regionally based organisations.

Procurement enables governments to maintain the baseline of skills and resources in regional areas that are required to maintain sustainable communities and is often a key to the certainty for future investment.

State, local government (as well as Commonwealth) expenditure is a major contributor to the Victorian economy. The State government alone spends over \$10 billion on a variety of goods and services from the private sector annually.

Procurement policies can be leveraged by government to deliver wider social and economic outcomes for target groups. The Federation strongly supports the development of preferential procurement policies by state and local government as a means of enabling Aboriginal economic development and supporting the growth of Traditional Owner Corporations and other Aboriginal services providers. Victoria is currently lagging behind the Commonwealth and other States who have adopted preferential procurement policies and practices in support of Aboriginal business and employment.

Traditional Owner Corporations, with particular emphasis on managing the land and natural resources, have a key stake in the management of regional infrastructure. As a way to support the certainty and active participation and contribution to those communities, the delivery of such services could be enhanced through partnerships with Traditional Owner Corporations.



Traditional Owner Corporations are in a strong position to make a relatively greater impact than non-Aboriginal organisations since they have a strong focus on achieving benefits for those communities that have higher unemployment, lower average incomes and related socio-economic statistics. They are well placed to be service delivery partners, particularly as not-for-profit organisations, not only because they are more likely to employ Aboriginal people (as noted in the *Forrest Review – Creating Parity*), but also because they can coordinate and leverage programmes (for example, contributing to training and community stability) in tandem with meaningful work and operational services.

Furthermore, the long term certainty for the Corporations would have a number of downstream effects, including the ability to build the investment and leadership infrastructure in the community, enabling the sharing of information and raising the aspirations through offering the jobs and pathways for economic participation.



### **3. Develop mechanisms for closer government and industry engagement with Traditional Owner Corporations as a means of increasing innovation and investment in regions**

The land and financial asset base of Traditional Owner Corporations is growing but it is early days in Victoria in terms of exploring ways in which cultural assets and knowledge can be built on to drive innovation and the development of new markets. At this stage, innovation and investment for regional growth and productivity can be supported by:

- engagement on industry strengths, with specific focus on the areas where Traditional Owner and Aboriginal organisations have identified opportunities
- facilitation of investment processes that will grow business and employment outcomes and that develop assets, in particular through the technological added value.

#### *Focusing on strengths*

Increasing labour utilisation is a fundamental requirement for the economic growth of regions. Business is the key driver for employment, and in particular (according to the *Forrest Report – Beyond Parity*) Indigenous businesses are 100 times more likely to employ Indigenous people than non-Indigenous organisations. Regional economic growth and prosperity therefore needs engagement with Traditional Owner communities to build on key sectors.

Regional economic development requires a strong focus on building on the strengths of regions and investing in the levers for growth. Traditional Owners and Aboriginal communities have a significant stake in many of the industries which have been identified as contributing to the next wave of growth in prosperity across regions. Key industries that Aboriginal Victorians have an interest in include:



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health and age care	employment and business interests
tourism	opportunities and developing business interests
agriculture	a stake in the sustainable management land and water resources, and wider issues such as bushfire
gas	Native Title interests

Furthermore, Traditional Owner Corporations have a growing asset base and the means to invest in their regions. These organisations are looking for ways to invest for growth through market activity, while at the same time create employment and skills development opportunities for their communities.

Increasingly, global factors such as food and water security and sustainability, the 'real and genuine' experience along with 'clean and green' will drive the value of Victoria's economic strengths. The convergence of goods and services and closeness of markets, including ability to work with other cultures and the interaction of technology are driving local economic development processes. These factors, are therefore going to be important in enhancing the potential of what regions have to offer.



In order to develop the investment and employment opportunities in specific industries, a stronger level of engagement with Traditional Owner and Aboriginal businesses that can identify the opportunities and obstacles, and can enable the industry growth and development including the investment and ability for Traditional Owner and Aboriginal business to participate effectively.

*Facilitating investment and innovation*

Investment underpins business growth, and this is the key driver for employment. Traditional Owner Corporations are increasingly in a position to invest, with an affinity for investment on their Country and into the regions they are located in. The long term approach for developing the people and resources in the community needs to be supported in order to develop innovative approaches, new products and services and to develop the resources that are available.

Facilitation and enabling access to resources, is a key way in which business growth can be enhanced for Traditional Owner Corporations, as a way to strengthen sustainable growth providing the certainty of income and the resource base that can be leveraged and is required to develop the level of skills and employment pathways required to have a positive effect on the regional economies.

Increasing the productivity and growth requires positive facilitation to:

- Access resources, including overcoming obstacles and strengthening relationships
- Gather the skills and knowledge for technological and innovative resource use and development
- Coordinate the skills and market knowledge and financial scale to develop those resources.

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In this regard facilitating the use of resources through 'honest brokers' to work with science and research providers, to bring together the resource holders and the assist in bringing investment to those resources, is a key area in which government could assist Traditional Owner Corporations to leverage the cultural, people, financial and physical resources in ways that can continue to contribute and grow the regions.