

BUILDING THE CAPACITY AND PERFORMANCE OF
INDIGENOUS FISHERIES

FRDC PROJECT 2013/218

FINAL REPORT

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Ridge Partners, Brisbane
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GLOSSARY AND ABBREVIATIONS

ABARES	Australian Bureau of Agriculture and Resource Economics and Sciences, and agency of the Australian Government
Aboriginal	Throughout this document the term 'Aboriginal' is used to refer to both Aboriginal and Torres Strait Islander people. The term 'Indigenous' has the same meaning.
ABS	Australian Bureau of Statistics, and agency of the Australian Government
AC	Aboriginal Corporation
ACIAR	Australian Centre for International Agricultural Research, and agency of the Australian Government
AHD	Australian Height Datum is a geodetic datum for altitude measurement in Australia, for height above mean sea level.
AIMS	Australian Institute of Marine Science, and agency of the Australian Government with advanced research facilities based at Cape Ferguson, south of Townsville
ARM	Aquatic Resource Management is an approach that manages aquatic resources for maximum sustainable use
ATO	Australia Taxation Office
Beche-de-mer	Marine species from the class <i>Holothuroidea</i> are cited in this report as Beche-de-mer (BDM). Other names commonly used across industry include Sea cucumber, trepang, sandfish or balate.
Business	An entity (never a person) that is owned by shareholders and undertakes commercial activity. The entity can take many forms (sole trader, partnership, trust, company) depending on the aims of the shareholders.
CAPEX	Capital Expenditure
CDEP	Established in 1977, the Community Development Employment Projects scheme is a Federal Government program primarily for Aboriginal and Torres Strait Islander people living in remote, rural and urban areas. It enables an Indigenous community or organisation to pool the unemployment benefit entitlements of individuals into direct wages for those people who choose to participate in local employment in various community development or organisation programs as an alternative to receiving individual income support payments.
CMA	Catchment Management Authorities, have management powers over regional waterways, floodplains, drainage and environmental water.
Commercial	Commerce is the activity of buying, selling or trading of any good or service by a firm or person strictly for financial gain.
CRC	Cooperative Research Centre, a collaborative R&D investment entity funded by industry and governments, with key researchers and universities leading project activities.
Cultural Heritage	Aboriginal cultural heritage refers to places, objects and human remains and the story they tell of Aboriginal use and occupation of the land.
Customary Fishing	Customary fishing is fishing in accordance with relevant Indigenous laws and customs to satisfying personal, domestic or non-commercial communal needs.
DEEWR	Commonwealth Department of Employment, Education, and Workplace Relations

DEWHA	Commonwealth Department of Environment, Water, Heritage and the Arts
Economic	Economic activity is a broad term – it involves the production, distribution and consumption of goods and services at all levels within a society.
FRDC	Fisheries Research and Development Corporation, an agency of the Australian Government
Governance	Governance determines who has power, who makes decisions, how other players make their voice heard and how account is rendered.
IRG	Indigenous Reference Group, is an Indigenous advisory committee of the Fisheries Research and Development Corporation.
Indigenous	The term “Indigenous” used in this report refers to Aboriginal and Torres Strait Islander Australians.
IUU	Fishery activity that is Illegal, Unreported and / or Unregulated
MMT	Million metric tonnes
MOU	Memorandum of Understanding
MSME	Micro, small and medium enterprises
NAILSMA	North Australian Indigenous Land and Sea Management Alliance
ORIC	Office of the Registrar of Indigenous Corporations
PBC	Prescribed Body Corporate
QPWS	Qld Parks and Wildlife Service
QDAF	Qld Department of Agriculture and Fisheries
RNTBC	Registered Native Title Body Corporate
SME	Small or Medium Enterprise, typically with an annual revenue of less than \$25 million, fewer than 50 employees, and consolidated gross assets of less than \$12.5 million
TAC	Total Allowable Catch is a retained catch limit set for a specific fishery, generally for a year or a fishing season. TACs are an output control (rather than an input control such as net size or number of hooks) on the maximum harvest usually expressed in tonnes of live-weight equivalent but are sometimes set in terms of numbers of fish. A fishery TAC is typically allocated to fishers as 3 components - a commercial catch (TACC), a recreational catch, and an Indigenous customary catch.
TAFE	Technical and Further Education Institute
TFK	Traditional Fishing Knowledge
TFM	Traditional Fishery Management
TSRA	Torres Strait Regional Authority
TO	Traditional Owner
tpa	Tonnes per Annum
TSIRC	Torres Strait Island Regional Council
TUMRA	Traditional Use of Marine Resources Agreement
WWF	World Wildlife Fund

EXECUTIVE SUMMARY

Seven case studies have been engaged and studied in the project, across five jurisdictions, for cultural fishing, commercial wild catch, aquaculture, and fishery tourism.

This project was commissioned by the Indigenous Reference Group, an advisory committee to the FRDC for matters related to Indigenous fishery research, development and extension (R&D).

The project seeks to build the capacity and performance of Australia's Indigenous fisheries. It identifies issues and drivers, and describes methods, means, outputs and outcomes to enhance fishery capacity and performance.

This report summary comprises four parts:

1. Review of the economic framework that impacts Indigenous community and fishery development,
2. Issues and drivers for Indigenous fisheries,
3. Conclusions regarding business models to support economic development,
4. Recommendations to the IRG/FRDC regarding measures and actions to build the capacity and performance of Indigenous fisheries.

A small team from Ridge Partners, Brisbane has undertaken the project over five years from May 2013 to June 2018. Staff from the NT Department of Fisheries joined the project team for some literature review and case study analyses relevant to that jurisdiction.

1. COMMUNITY R&D FRAMEWORK

The starting point for the project was the IRG's RD&E Framework for Indigenous fishery development, illustrated below.

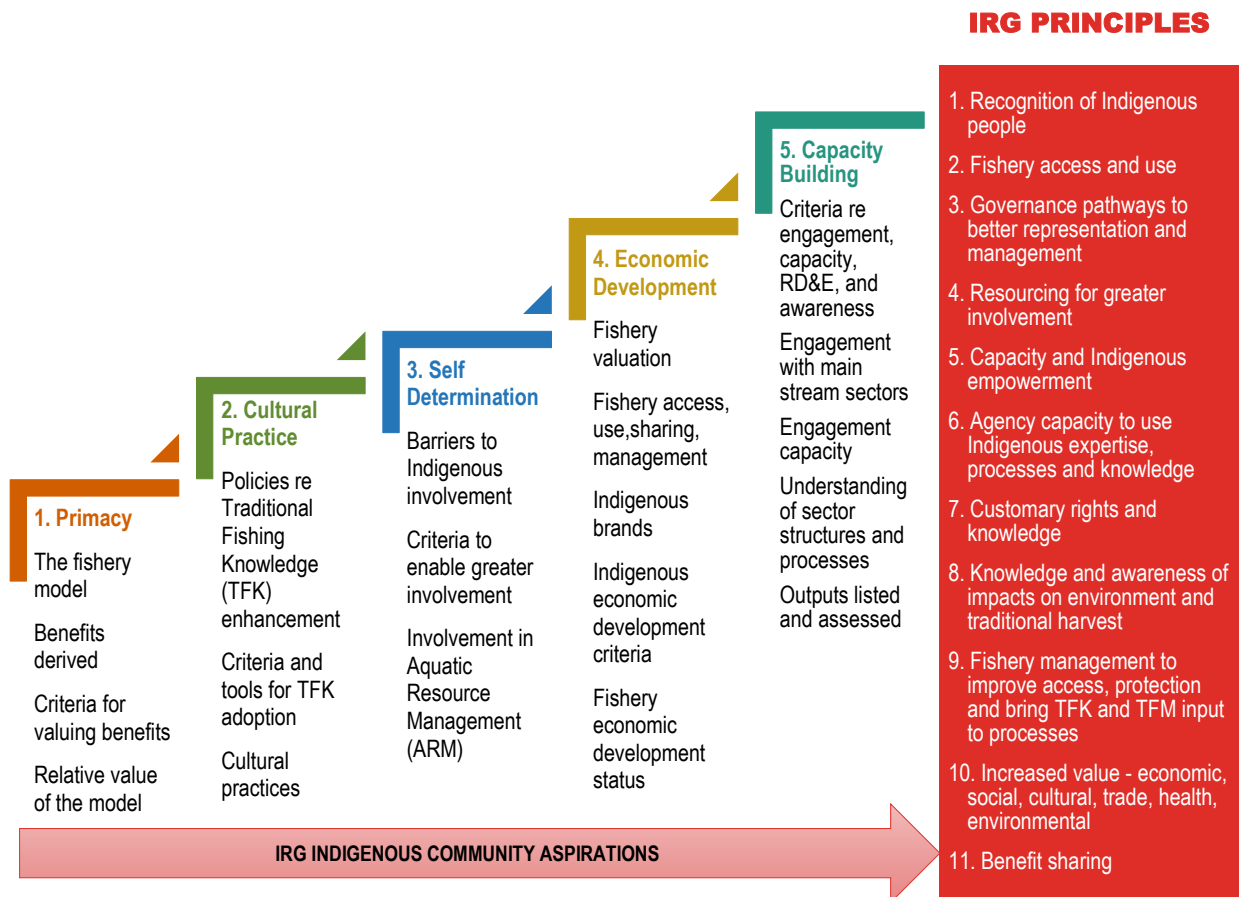
This framework of eleven key R&D Principles and five national and community aspirations, is grounded in a vision to enable continuous improvement, rising from Primacy to Capacity Building.

This is the pathway to achieve sustainable increases in the capacity and performance of Indigenous fisheries, collectively and for individual communities. Indigenous communities will be the immediate and primary beneficiaries of this vision fulfilled.

COMMUNITY IS THE CORE STAKEHOLDER

The Indigenous fishery community is the core stakeholder identified in the quest to boost the capacity and performance of Indigenous fisheries.

Indigenous communities vary greatly in the depth of understanding of their fishery assets, and the level of engagement, access and utilisation they have with their fishery resources, in marine or fresh water. This diversity compounds the economic complexity faced by community leaders, investors and R&D managers seeking to boost fishery capacity and performance.



Community diversity arises from multiple sources: physical factors (including scale, remoteness, infrastructure, fishery resources and species); community factors (family and clan aspirations, skills and capabilities, maturity of governance structures, primacy over fishery assets, engagement in fishery activities, access to capital, etc), and third-party factors in dealing with external parties outside the community.

In addition, communities face diverse choices about how they value their fishery resources - as customary value (FRDC 2015-205, 2018) for traditional food, as opportunities to leverage community wealth through commercial activities in wild harvest or aquaculture production, seafood processing and marketing; or as platforms for fishery recreation or tourism related ventures.

Communities must build the confidence and tools to assess the value of their fishery assets, and this means making choices about its best use and what gaps and value trade-offs arise from these choices. The FRDC’s National Fishing and Aquaculture RD&E Strategy 2016 reflects on these choices, and related drivers, noting a need to “understand and seek potential in the non-financial (health, social, cultural) values of “fish” (FRDC RD&E Strategy 2016, 2016 p. 24).

In the context of this report and related case study communities, further consideration is needed regarding the extent to which individual Indigenous people want “economic” development to occur in their community, relative to other social or cultural development. While recognising and endorsing the need for community driven trade-offs and a nuanced approach to economic

development, this study is written from the western economic perspective and cites evidence accordingly.

FISHERIES ARE UNDERUTILISED; VALUES ARE DEPRESSED

In this context based on literature assessment and case studies, the project concludes that most Indigenous communities are unaware of the true latent economic value of their fishery assets. Looking beyond customary uses, most communities have only limited engagement in fishery economic activity, and therefore underutilise their fishery resources. For most communities, fishery assets currently contribute only a small amount, directly or indirectly, to their total asset value held by the community.

To boost this asset value and increase returns (directly as economic dividends, and indirectly as social benefits) to communities, we need a new approach. The proposed approach must first, actively identify and engage communities that hold significant fishery assets, and then secondly, support and guide them to assess their use, build capacity, and develop higher performance options that will create more value for the community.

GOVERNANCE CHOICES INFLUENCE ECONOMIC SUCCESS

The most important economic development choice every community makes relates to the governance structures chosen for both the community and its fishery assets. Good alignment and liaison between community cultural governance with fishery venture corporate governance, will enable and promote better, faster economic development and larger social dividends to the community. Poor alignment between cultural and corporate governance risks economic stagnation, loss of fishery value, and loss of community dividends.

This project has established a flexible and integrated development model (detailed below in section 3). Assuming a community seeks to implement economic development, this model charts a pathway to advance a fishery community from securing primacy over its fishery assets, through to its economic development and enhanced capacity. This model balances and integrates cultural and corporate governance and will suit fisheries at any point on their individual development journey. The model is weighted toward commercial outcomes (not social science community outcomes) that are intended to increase capacity and performance of community fisheries.

Governance determines who has power, who makes decisions, how other players make their voice heard and how account is rendered. Corporate governance relates to a venture and not to a community – it is the basis for sound financial and risk management of that venture, and typically guides the creation of economic wealth.

2. ISSUES AND DRIVERS FOR INDIGENOUS FISHERIES

The project has identified issues that impact the capacity and performance of Indigenous fisheries, and related drivers of uncertainty and change.

UNLOCK THE INDIGENOUS ESTATE

Indigenous Australians now own or have legislated rights to 40% of the Australian land mass under various forms of title and legislation. This estate occupies a long marine coastline and adjacent river catchments, especially in northern Australia where Indigenous fishery communities predominate.

A challenge is to identify the scale and scope of these fishery resources in the hands of individual communities, and then unlock and leverage the frozen assets via fishery ventures that create new economic and social value for communities.

Various approaches are available including asset leasing, taxation incentives for ventures, low interest loans for Indigenous community investments, and business incubators that bring joint ventures and co-investors to support Indigenous fishery enterprise development. Recognising that not all deals are good deals for Indigenous communities, the model can be adapted on a case by case basis. Over the last decade the mining sector has made good progress on these development options for Indigenous assets – the fishery sector can learn from these experiences.

Community ranger activities are a common community initiative, including for the case studies in this project. Indigenous ranger groups create community benefits that complement community fishery ventures in various ways, including through improved fisheries management and traditional practices, shared social values and knowledge between communities and other Australians, increased involvement of Indigenous people in fisheries management and Aquatic Resource Management, increasing two-way understanding of Sea Country to Indigenous people, and by creating meaningful employment, training and career pathways. These are good first steps but in isolation, they are only weak drivers for economic development in a community. New capital investment and commercial skills linked to market outcomes, are also required.

Government policy settings (national, state and territory) play a direct role in unlocking Indigenous fishery assets. But it is clear to the project team that a community that has a clear vision and business plan to develop its fishery resources will overcome most jurisdictional policy barriers. Policy settings are not a significant barrier to Indigenous fishery community governance development, training, mentoring, joint venturing, expert collaboration or investment.

EMPLOYMENT, LEARNING AND MICROBUSINESSES

There is now effective consensus across national political and Indigenous leaders that the long-term economic empowerment of Indigenous Australians cannot be built on welfare provisions and must be built through employment and entrepreneurial activity. The pathway to economic development and Indigenous community outcomes is through stable employment, built on learning, and skills development supported by education, training and mentoring that addresses and meets the communities' values.

The most critical and increasingly compelling employment option is driven by Indigenous entrepreneurship through medium and small enterprise development in communities. This "microbusiness" private family or clan model is particularly appropriate to remote community fishery development. It is a fundamental component of the proposed business model recommended by this project.

Local community microbusinesses put the management decisions and economic power from business capacity in the hands of families and clans - a critical element in boosting investment in fishery outcomes. Indigenous microbusinesses are 100 times more likely to employ Indigenous Australians than other businesses.

The learning and skill capacity of microbusinesses and communities is not just driven by course work, training and mentoring. A community will greatly increase its action learning capability when it aligns cultural and corporate governance to introduce experts onto community and venture boards and creates commercially structured entities dedicated to defined economic fishery development objectives,

rather than to broader community social outcomes. The first priority is to make commercial returns from available fishery resources, then distribute these to the community according to cultural protocols, obligations and governance.

SUSTAINABLE SEAFOOD AND TOURISM

The opportunity to boost the performance and capacity of Australia's Indigenous fisheries comes at an exciting and opportune time in global trade. Two of the largest economic flows in global trade are global seafood and experiential tourism. Australia is a significant contributor and beneficiary in both streams.

With our diverse marine seafood species, sustainable fisheries, abundant natural landscapes, and deep Indigenous cultural heritage, both trends are strategically attractive to Australia and to its Indigenous fishery communities. Both trends are currently driving new global markets, that will generate new customers for products and services that well managed Indigenous fisheries can create.

INDIGENOUS PARTICIPATION IN FISHERIES

Indigenous people now participate in all activities and sectors across the fishery and aquaculture spectrum – customary, commercial, recreational, and aquaculture. But unlike Indigenous fisheries in Canada and New Zealand, we can not yet point to a successful Australian post-harvest fishery or seafood venture that has majority Indigenous board governance, management and investment.

The national database (Office of the Registrar of Indigenous Corporations - ORIC) lists 2,688 corporations in 2014-15 with 170 new entities per year. Given the north Australian location of most Indigenous communities, it is to be expected that three northern jurisdictions dominate the top 500 by economic scale – the NT hosted 33% of these entities, WA 25% and Qld 19%. But the dominant active sectors on ORIC's list are health & community services, mining, communications and municipal services. Fisheries or seafood ventures are not mentioned in any listing. To create and service Indigenous benefits, this gap needs to be filled.

FRDC monitors the Performance and Use of Australian fisheries (FRDC 2014-235, 2014), using an assessment template across fishery management, and environmental, economic, social and engagement matters. In the latest assessment, experts rated Indigenous fisheries at 3.7 out of 10 (where 10 is best). By comparison other sector ratings were: Commercial wild catch 5.9; Recreational 4.9; Aquaculture 6.1.

Aquaculture (including ranching) of premium seafood species is a small, growing interest for Indigenous fishery communities. Studies have found that Indigenous aquaculture ventures have failed for 3 primary reasons – lack of market capture, inadequate business capacity and direction, and cultural barriers and issues.

3. CONCLUSIONS REGARDING BUSINESS MODELS

Project design called for 4-5 case studies that would represent the national Indigenous community fishery cohort, meet project objectives, and inform the IRG and RD&E decision makers.

Guided by the IRG, the project team has engaged seven case study fishery communities in face-to-face consultations regarding fishery status, capacity,

performance, models, aspirations, economic development options, and analyses and reporting.

MODEL CHOICES AND ATTRIBUTES

As noted earlier, communities face choices regarding the creation and management of their fishery ventures, at a number of levels. There are four primary factors that will have a significant bearing on the way each community approaches these decisions and the priorities that emerge:

1. The current community governance and leadership structure. Is it designed for social and broad community roles only, or does it include balanced social and commercial outcomes?
2. The level of commercial experience in the community in managing other non-fishery related assets. Does the community contain experienced people who can lead and encourage members to consider and develop commercial business cases for fishery ventures? Does the community understand the extent of its internal skills, and know when external expert advice will be a good investment?
3. The scale of financial assets held by the community and the size and security of any cash flows received by the community from other commercial ventures (e.g. mining or retail). Does the community have the financial and investment capacity to establish the venture in its own right, or will a risk-sharing development strategy via a joint venture or commercial partnership be a better strategy in the near term?
4. The level of engagement and consultation the community has undertaken to determine its shared fishery development aspirations and document these for all members. Not all communities are at the same stage of maturity and management capability – some are advanced, others are immature in their governance, investment and planning capability. A well planned and led community planning process is critical to determine the maturity of the cultural - corporate governance pathway, and to test leaders in the community regarding fishery venture aspirations based on community assets. The process is an essential precondition for any fishery venture business plan.

The project has taken four established governance models from the literature and critically considered them as potential candidates to support commercial community fishery ventures. It is clear three of these models have emerged from a social sciences community perspective where effective cultural governance is the primary goal. As they stand, these three models are commercially limited.

Cultural governance is a critical first step in designing a best model, but it is only the first step if a commercial outcome is desired – it must also be aligned with and balanced by governance that will empower the community to create economic wealth from its fishery resources. This additional critical step to integrate corporate governance will empower community members to think as shareholders, investors, and microbusinesses that manage risks to create wealth for themselves and their community.

WHAT WORKS AND WHY

The project has identified a number of model attributes that work:

Model Criteria Checklist

Analyses of Business Models in the literature and in cases highlights these criteria for Indigenous fishery business model design:

- Cultural and corporate governance are clearly defined, separated and balanced
- All relevant families/clans are directly and equally represented in community governance and decisions
- Each clan can individually or collectively develop its share of joint assets via a micro business
- One person can-not hold, simultaneously, a lead position in cultural advisory activity, while holding a corporate governance role
- Cultural and corporate governance roles need to be refreshed with new people periodically
- Use separate corporate entities where necessary to focus leadership, manage risk, define goals, monitor progress and enable transfer of assets and control
- Ensure each community engages in strategic thinking, linked to Business Plans
- Promote Indigenous engagement in every activity, especially commercial enterprise
- Invest in people to build leadership, skills and community capacity to manage businesses
- Collaborate with external parties to boost skills, experience and knowledge. Build partnerships and networks to develop baseline fishery data, do R&D and manage aquatic resources.

1. Formal community kinship and cultural governance is fundamental to Indigenous communities and the family and clan networks within. Formal **registration with ORIC** demonstrates (as part of native title determinations or otherwise) this maturity. It establishes a governance and leadership platform and goes some way to clarifying the fishery assets available to be leveraged in subsequent economic development. It may also indicate the community has undertaken some governance training, and at least a basic discussion of its aspirations across all families and clans.
2. **Corporate governance is the new element that most communities lack** and all need, as a basis for developing and operating any commercial venture related to their fishery assets. But corporate governance must be introduced so it is on the same level as, aligned with and balances cultural governance. Corporate governance relates to the fishery venture and not to the community – it is the basis for sound financial and risk management in that venture and the creation of economic wealth.
3. **Access to new knowledge is the primary driver for economic development**, in Indigenous and non-Indigenous communities. Those Indigenous fishery communities that openly explore and develop multiple learning pathways to other Indigenous and non-Indigenous knowledge sources will be the ones most able to achieve their economic development aspirations. Subject to each community's governance, maturity and logistic circumstances, this may be difficult or slow to achieve. Mentoring, action learning, formal courses on and off site, joint ventures, collaborations, and supply chain relationships are all learning touchpoints evident in the case study communities. A formal business planning process that is specific for that community fishery will identify what learning gaps exist, and the best ways to resolve the gaps within the cultural-corporate governance relationship.
4. **Microbusinesses work because they empower** community families, clans and members to specialise, invest, learn and contribute their own labour and resources into ventures that create economic returns for the community, their respective family or clan, and themselves. Microbusinesses are a win – win for people and communities, today and long term. They (or some variant of them) should be considered as an essential learning and community governance mechanism in every Indigenous fishery venture seeking to create economic returns.
5. Each venture, including community fishery ventures, needs a formal business case and **Business Plan for the first 3-5 years** of the venture, and for this to be refreshed regularly thereafter. Both the planning process and the document are vital to securing commitment and outcomes.
6. Each community **fishery venture must be led by a formally declared and endorsed management team**, that has the authority from its own board and Community to implement an agreed business plan and strategy, and report progress to owners and community stakeholders.

WHAT DOES NOT WORK AND WHY

This project has identified a number of model attributes that do not work in support of economic development, in most circumstances.

1. Social science business models provide appropriate platforms for community cultural governance. But **in isolation socially focussed models are not good platforms for commercial ventures** that communities may

wish to implement. The Combination Model (Family hybrid + Economic + Investment) is the preferred model that has been identified in the literature review for this project. A significant risk for many aspiring fishery communities is that they can, by default, use their existing community cultural entity (typically registered with ORIC) as the sole governance base and structure for implementing and managing a new fishery venture based on community fishery assets. But, without clear business plans and clear corporate governance principles and alignment, this default choice will slow the creation of economic development and slow the process to revalue their fishery assets.

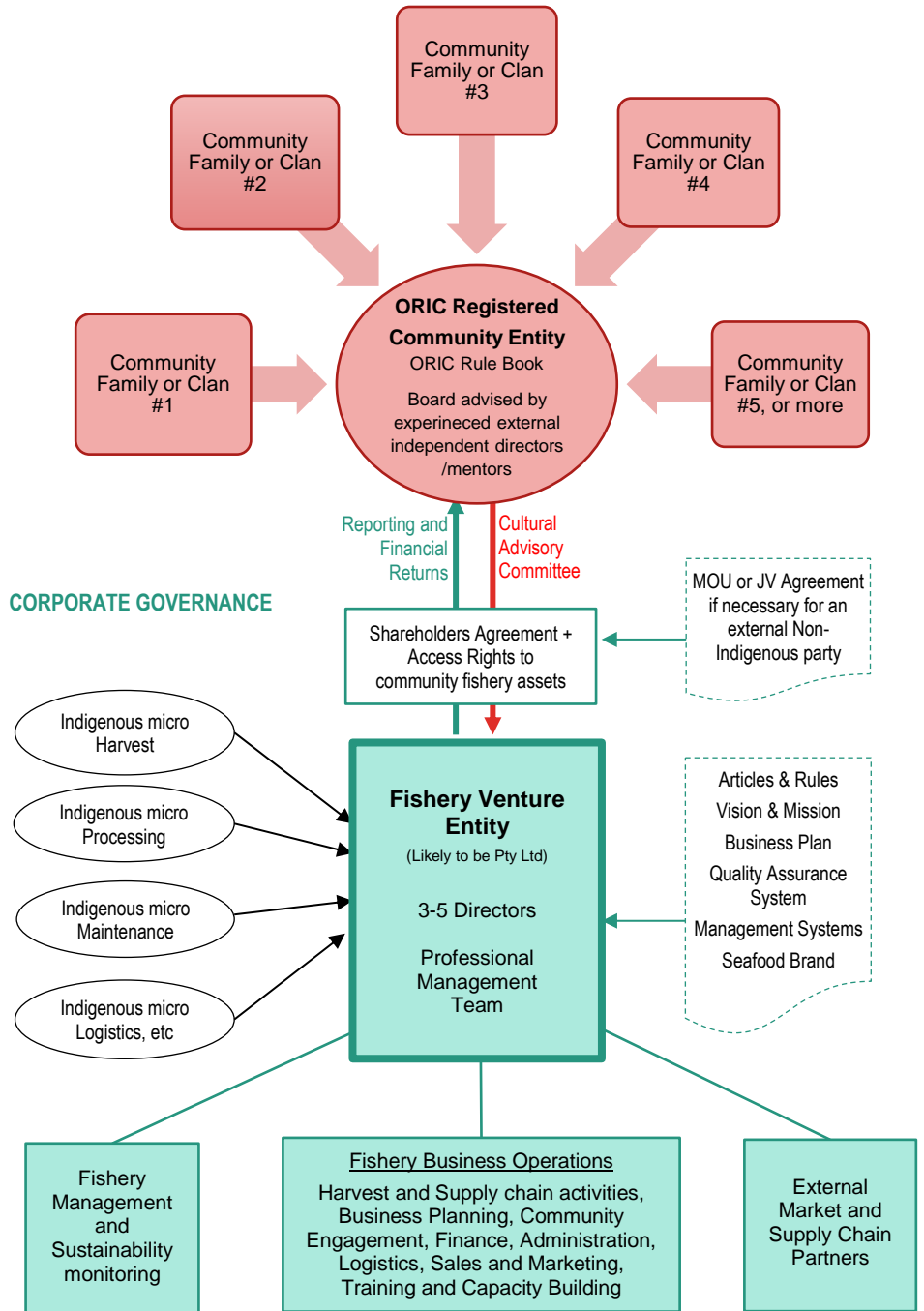
2. Community governance, by definition, often carries a strong **“representational” right** for a family or clan or TO to influence or veto an economic development initiative. This is appropriate in a cultural governance community context but is sometimes an intractable barrier to the community being able to create or progress any economic development ventures. This issue was evident in at least one case study.
3. In some larger communities, some clans have no freshwater or saltwater heritage or title. They therefore have a lesser direct engagement with potential fishery ventures, compared to other clans with sea country. All community members must be part of community discussions and decisions, but the need to equitably balance cultural and corporate governance must **introduce broader aspirations that go beyond clan representation** and focus on overall community venture outcomes.
4. **Lack of depth in community leadership teams** (especially in small communities) means key people are often committed to many complex and diverse roles within and outside their communities. They are time-poor and unable to adequately service each of their responsibilities. Community leaders also note that many external parties appear to be “ticking a project box” with little real commercial benefit offered from the meetings. As a result, new ventures do not get the support they need, and therefore, the community suffers. Each community needs a shared leadership capability, with formal training and mentoring programs, and a succession plan to ensure the ongoing capability of the team to perform. A related problem that appears in some cases is that the community (or its non-Indigenous advisors) does not perceive when community leaders are out of their depth and need to access skilled mentors and experts (Indigenous or otherwise).
5. **Ill-defined and overlapping business and community objectives** for a commercial venture make it very difficult to manage and achieve desired economic returns. A community that does not take the time to undertake a thorough consultation and shared strategic thinking process about its community and fishery development aspirations will not be able to implement a strong fishery development agenda to create economic value for the community.
6. The case studies identified **welfare conflict** as a competitive tension in some communities. A community choice is required between two fundamental agenda: either to create shared wealth and employ local people using their fishery resources, or to disengage from fishery activities and use the welfare system to fund the community’s needs in the long term. Community leaders must resolve this choice early in the economic development process for their venture.

THE RECOMMENDED MODEL FOR INDIGENOUS COMMUNITY FISHERIES

The following figure presents the model recommended to Indigenous fishery communities that seek to increase their fishery capacity and performance.

Model for Indigenous Community Fishery Development

CULTURAL GOVERNANCE



This model is considered by the project team, to be the best model for Indigenous community fisheries because:

1. It integrates and balances governance - both community cultural governance (red) and business corporate governance (green),

2. The community can choose the type of commercial entity (Pty Ltd, Cooperative, Joint Venture, etc), it wishes to operate its commercial fishery assets,
3. The community will continue to provide cultural advice to the directors of the fishery venture and will receive reports and returns from the venture.
4. The model enables existing ORIC Registered communities to build new governance assets and skills, and transition over time. There is no need to change the baseline model to meet new and changing aspirations.
5. The model can be used for all community fishery economic development cases, including all fish species, across all sectors (wild catch, aquaculture and recreational fishing), and all jurisdictions,
6. The proposed fishery venture must be run on commercial terms, follow rules set out in a Shareholders Agreement and an up-to-date Business Plan,
7. Indigenous clan microbusinesses are favoured to become suppliers to the new commercial venture if they are able to offer competitive services,
8. Community governance is structured to benefit from the appointment of external independent governance and business mentors to the community board,
9. The commercial venture must be led and managed by experienced professional managers,
10. The Shareholders Agreement will specify that there will be a limit to the number of common Board members (e.g. limit of 2) on the ORIC entity board and fishery venture board, to avoid conflicts of interest and “group think”,
11. The fishery venture board will liaise with and report to a single ORIC-registered community entity,
12. The Articles of Association of the venture entity will set the detailed governance rules for the fishery venture entity, and will be transparently aligned with the cultural governance of the host community,
13. Operating arrangements for the venture entity and any new fishery businesses can be determined by the venture board, and integrated at any future time, as necessary.

4. RECOMMENDATIONS TO THE IRG/FRDC

The project team recommends the IRG consider the following actions:

1. **Implement a plan to identify Indigenous fishery communities across Australia that hold exclusive or non-exclusive rights to, and control of underutilised fishery resources.** Evidence from this case study project indicates that many existing coastal communities (either registered with ORIC or not) control significant fishery resources but are not aware of or not contemplating development of these resources. This planning task would be best undertaken as a mutually beneficial joint project with ORIC and relevant state and territory agencies.
2. **Encourage Indigenous fishery communities that seek to develop their fishery resources, to establish at least one community corporation registered with the Office of the Registrar of Indigenous Corporations,** as a minimum governance requirement. Most communities have already established this base level of community cultural governance.

3. **Encourage each Indigenous fishery community (including local residents and remote TOs and members) to undertake a formal planning process** that, at a minimum;
- Is built onto the preferred Business Model framework developed by this project,
 - Identifies and documents the latest community aspirations and structures regarding its social, cultural, economic and environmental management capacity over the next 10-20 years,
 - Identifies and documents the community's aspirations and structures regarding the use and performance of their marine and fresh water fishery assets (including related tourism and ranger options), as a potential economic development wealth-creator for the community over the long term (>10 years),
 - Wherever possible, introduces Indigenous community interests into any proposed commercial venture from the earliest stage (i.e. conceptual discussions) of that venture,
 - Identifies and documents constraints (including by regulators) and risks to achieving the community's desired outcomes generally and for its fishery assets,
 - Identifies and conceptualises a short list of potential fishery ventures that will be considered for commercialisation by the community,
 - Identifies and documents the community's members, families, clans and culture groups who will support a potential fishery development venture over the next 3-5 years, and the terms upon which they will contribute (e.g. as a harvest family microbusiness supplying fish, as a skilled seafood processor employee, as a microbusiness supply repair and maintenance services, as a company manager or board member, as an employee in the venture office, etc),
 - Identifies and documents the community's physical and human resources and infrastructure, human capacity, proposed supply and market chain, networks and collaborations to implement an economic development (i.e. commercial) venture using its fishery assets, and related risks to and gaps in this capacity,
 - Identifies and documents the community's financial and investment capacity to support a development venture, and related risks to and gaps in this capacity,
 - Establishes and documents an agreed pathway to integrate and balance cultural governance with corporate governance in the propose fishery venture,
 - Is conducted as a process of engagement, consultation and shared learning, on site in the community over a number of days,
 - Is led by an experienced facilitator/planner who also brings contemporary commercial and fishery experience,

- Is established as a professional venture plan circulated to the community for reflection, discussion, refinement and increased “buy in” by the leaders in support of the proposed fishery venture.
4. **Encourage community to identify commercial partners, networks and collaborations** that will engage the proposed Indigenous community fishery venture and, in return for commercial contracts or venture shareholdings, provide critical skills, action learning opportunities for Indigenous people and microbusinesses from the community, and capital for their venture.
 5. **Empower Indigenous fishery community leaders to attend, contribute to and learn** from biennial joint seminars and workshops that discuss the challenges, learnings, outcomes and “venture stories” that respective communities face and have resolved in their private journeys to develop their fishery assets.

1. ABOUT THIS REPORT

A. PURPOSE AND OBJECTIVES

Seven case studies have been engaged and studied in the project, across five jurisdictions, for cultural fishing, commercial wild catch, aquaculture, and fishery tourism.

PURPOSE

This project seeks to build the capacity and performance of Indigenous fisheries. It has been undertaken over five years from May 2013 to June 2018, and guided by ambitious national objectives seeking to develop Indigenous community assets related to fisheries and aquaculture.

It describes methods and means to enhance fishery capacity and performance.

This report reviews the development status and learnings related to Indigenous fisheries, presents a detailed analysis of selected Indigenous Community fisheries, and makes recommendations to achieve this purpose.

Project design called for 4-5 case studies that would represent the fishery cohort, meet project objectives, and adequately inform the IRG and RD&E decision makers. Guided by the IRG, the project team engaged seven case study fishery communities in face-to-face consultations regarding fishery status and models, aspirations, economic development options, and analyses and reporting.

The project has addressed and met the requirements of four objectives.

OBJECTIVES

Objectives	Summary Outcomes
1. Identify 4-5 Case Study fishing communities, and work with IRG and stakeholders to document aspirations and social/cultural/economic capacity, identify constraints to achieving desired community and national development outcomes, and test/trial microbusiness development pathways.	<ul style="list-style-type: none"> • Eight cases identified – seven engaged and studied • Aspirations and social cultural capacity documented • Constraints identified for all cases, relative to the respective maturity of their fishery development. Some cases are in early concept design, or prefeasibility; others are in business planning and operational stages. • Microenterprise pathways have been described and/or have been tested in three cases.
2. Evaluate models (enterprise /management), conduct gap analyses (policy/regulatory), and synthesize and document preferred development pathways (national/regional) to enhance Indigenous access to, participation in, and benefits (social/cultural/economic) from fishery development.	<ul style="list-style-type: none"> • Enterprise and fishery development models have been described broadly, and evaluated for each case • Criteria have been established to assess models and identify gaps • Where possible (in 4 cases), the preferred development pathways for each community initiative is defined.
3. Establish and document output and extension strategies (3 year + 5 year) for the IRG (national) and each participating regional Indigenous fishing community.	<ul style="list-style-type: none"> • National IRG Extension Strategy developed and released • Extension strategy developed for each case study
4. Document and report learnings (IRG + case studies), models, performance monitoring arrangements, and recommendations to the IRG that will enhance future Indigenous fishery performance and community benefits	<ul style="list-style-type: none"> • Progress reports submitted to IRG • Parallel Business Plans undertaken by contractors for three case studies in NT and Torres Strait • Recommendations developed and submitted to IRG

B. METHODOLOGY

CONTEXT

The design of the project, and the basis for assessing the quality and quantity of its outputs, are grounded in the IRG’s strategic framework. The framework, comprising 11 Principles and 5 Aspirations (R&D Priority Areas), sets the fundamental strategic criteria against which the project assessed the capacity and performance needed to build Indigenous fisheries. Refer to Figure 2 and Appendix 1.

WORK PROGRAM

The project Work Program was designed to implement the methodology while retaining sufficient flexibility to identify and capture beneficial outputs and learnings. The program was implemented using primary and secondary research.

Figure 1. Methodology and Work Program

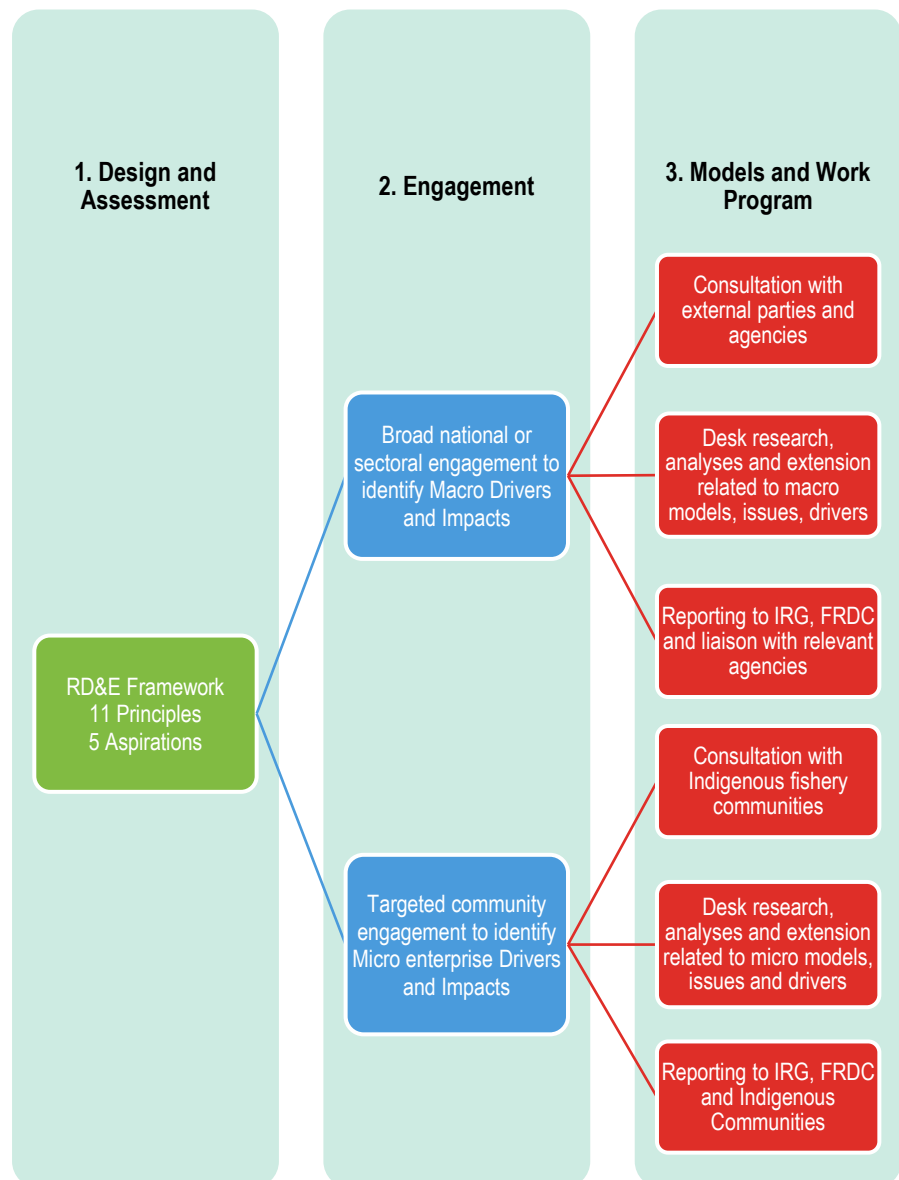
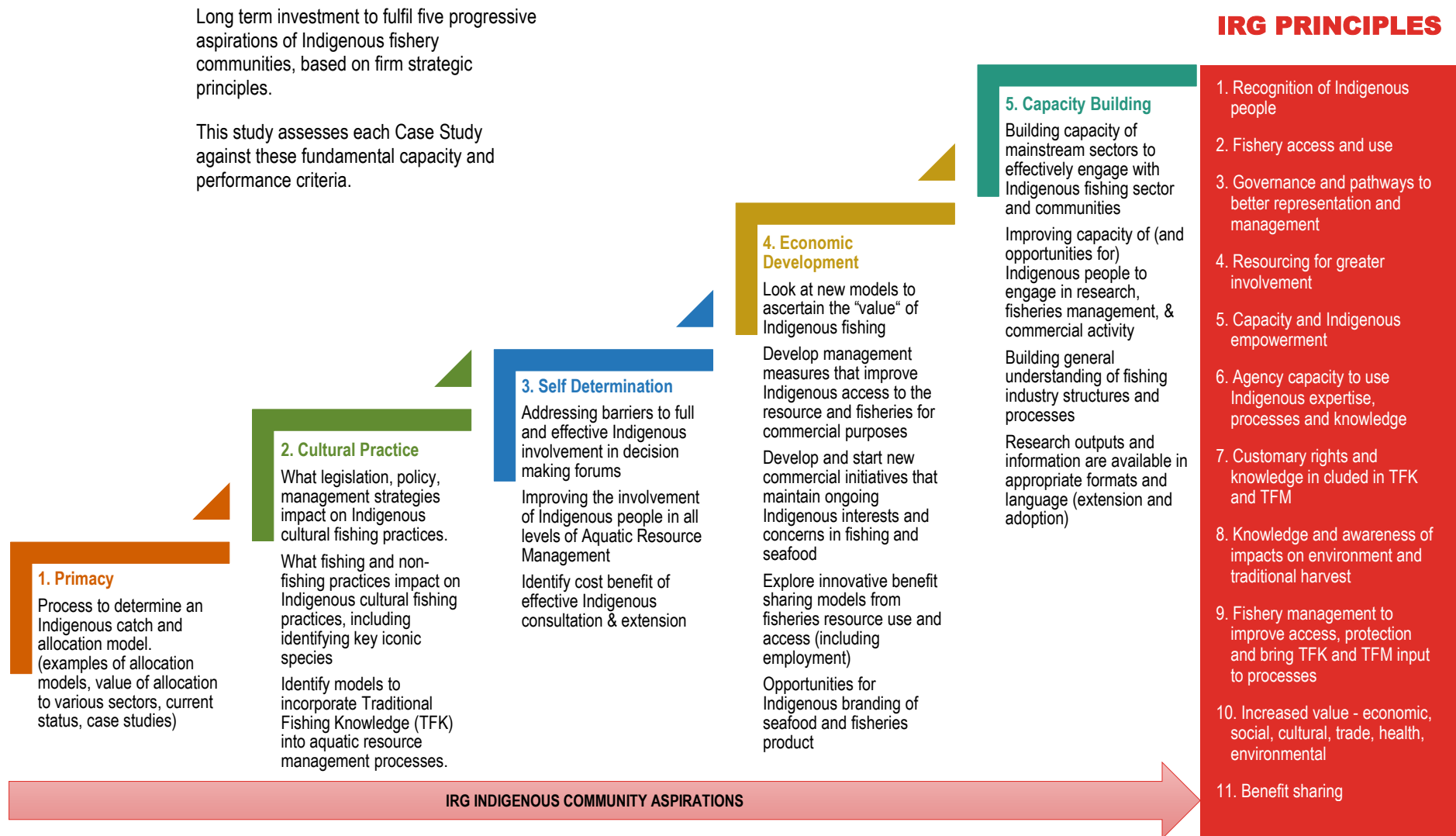


Figure 2. IRG RD&E Framework - Principles and Aspirations

C. IRG RD&E FRAMEWORK – PRINCIPLES AND ASPIRATIONS



D. ENGAGEMENT

BACKGROUND

In April 2010 the National RD&E Strategy for Fishing and Aquaculture was endorsed by the Primary Industries Ministerial Council (PIMC). The Strategy identified a gap in engagement and identification of Indigenous priorities. The Strategy charged the FRDC's new Indigenous Reference Group (IRG) to:

- Provide Indigenous advice,
- Work towards better engagement processes in developing Indigenous RD&E priorities,
- Improve extension of RD&E outcomes and outputs to Indigenous Australians.

The interim IRG's overarching goal was to provide advice to improve FRDC's investment in fishing and aquaculture for indigenous people. (FRDC 2010-401). In subsequent fora (in Gove and Cairns) during 2011-12, the IRG developed its strategic direction and action plans into a comprehensive Strategic Planning Document comprising 11 Principles, 5 Key Aspirations and related RD&E Priorities.

In developing the project concept, the PI (Brisbane based Ridge Partners) attended meetings and presented and submitted the concept to a number of stakeholders, including:

- RIRDC Indigenous R&D Committee (Adelaide, Feb. 2011),
- FRDC IRG (Nhulunbuy, 2011),
- FRDC and RIRDC Program Managers (Canberra, Feb. 2012),
- FRDC IRG meeting (Brisbane, Apr. 2012),
- 2nd FRDC Indigenous RD&E Forum, Cairns, Nov. 2012,
- Teleconference with IRG and NT Government project (EOI AF017),
- Dr Kate Brooks, FRDC Social Sciences Program Manager.

The FRDC project methodology also required the PI to work closely with an existing Indigenous community case study underway in the Northern Territory - Yagbani Aboriginal Corporation (Waruwi Community, South Goulburn Island). The PI established a subcontract (August 2013) with the NT Government to enable this work as part of the 2013-218 Project budget.

Based on further discussion with the NT agency team regarding other community development initiatives, the PI decided (based on the unique multi-community learnings offered) to also include the Garngirr Fishing Aboriginal Corporation (AC) case study in the main project at no additional cost to the project budget. This case is based on collective efforts across seven communities in East Arnhem Land.

The early learnings from these two cases delivered significant insights to the project to assist selection of other case study communities in other jurisdictions.

SECONDARY RESEARCH

As outlines in Figure 1, over the four-year project term (May 2013 to Nov 2017), the project team completed a comprehensive literature review and related desk-based data collation and analyses.

The project team worked with the members of the IRG, FRDC staff, Indigenous leaders and community members, University research centres, state and territory fishery agencies, and third-party experts, to assess and prioritise issues relevant to building the capacity and performance of Indigenous fisheries.

A large amount of data was sourced from the Australian Bureau of Statistics (ABS) comprising Census Data 2011 and 2016, related to the National Indigenous Population, and also for specific case studies.

CONSULTATION

The PI has met with Indigenous case study representatives and related project staff, on site wherever possible, and regularly by email and telephone. A summary of the main consultations for each case study is as follows:

Indigenous Fishery Community or Project Party	Key Consultation Dates	Consultation Attendees
1. IRG Forum	7-8 March 2012, Cairns QLD	IRG Members, community and agency representatives, project managers, Ewan Colquhoun
2. Warruwi Community, Yagbani AC, NT	July 2013, NT Gov't offices, Darwin	NT Gov't, Dr Ann Fleming, Glenn Schipp, Bo Carne, Ewan Colquhoun
3. Warruwi Community, Yagbani AC, NT	March 2014, FRDC, Canberra, ACT	Warruwi Community elders and representatives, Dr Ann Fleming, FRDC Staff, Ewan Colquhoun
4. FRDC Communications Manager	April 2014, FRDC Canberra	Peter Horvat, Ewan Colquhoun
5. Warruwi Community, Yagbani AC, NT	July 2014, South Goulburn Is., NT On-site	Warruwi elders, Yagbani AC leaders, Ambrose Business Solutions team members, Ewan Colquhoun
6. Presentation to IRG Members re proposed cases	July 2014, Broome, WA On-site	IRG Members, FRDC Staff, Ewan Colquhoun
7. Garngirr AC Community, NT	Various dates, all by phone	Bo Carne, Matt Osborne, Project leaders, Ewan Colquhoun
8. Aarli Mayi Community, WA	April 2015, Perth, WA Onsite at offices	Aarli Mayi Project Team Leaders John Hutton, Stephen Gill, Ewan Colquhoun
9. Gunditj Mirring Community	March 2015, Heywood, VIC Onsite at two locations	Denis Rose, Denise Lovett, Walter Saunders, Mike Gilby, Ewan Colquhoun
10. Giringun Community	Aug 2015 & Dec 2016 in Offices, Cardwell, QLD Aug 2017 Cairns Airport	Phil Rist, Nigel Baker, Ewan Colquhoun. Phil Rist & Ewan Colquhoun
11. Far West Coast Community	October 2015, Ceduna SA On site	Far West Coast AC Board, Community elders, Kerrie Harrison, John Isgar, Ewan Colquhoun
12. IRG Forum	March 2016, Cairns QLD	IRG Members, community and agency representatives, project managers, Ewan Colquhoun
13. QDAF Indigenous Fisheries Development offices	September 2017, Brisbane QLD	Michell Winning, Sian Breen, Ewan Colquhoun
14. Ugar Island Community, Torres Strait	October 2017, Ugar Island, Torres Strait On site	Rocky Stephen, Ugar Community, TSRA Executives, Infrastructure advisers, Ewan Colquhoun

E. OUTPUTS AND EXTENSION

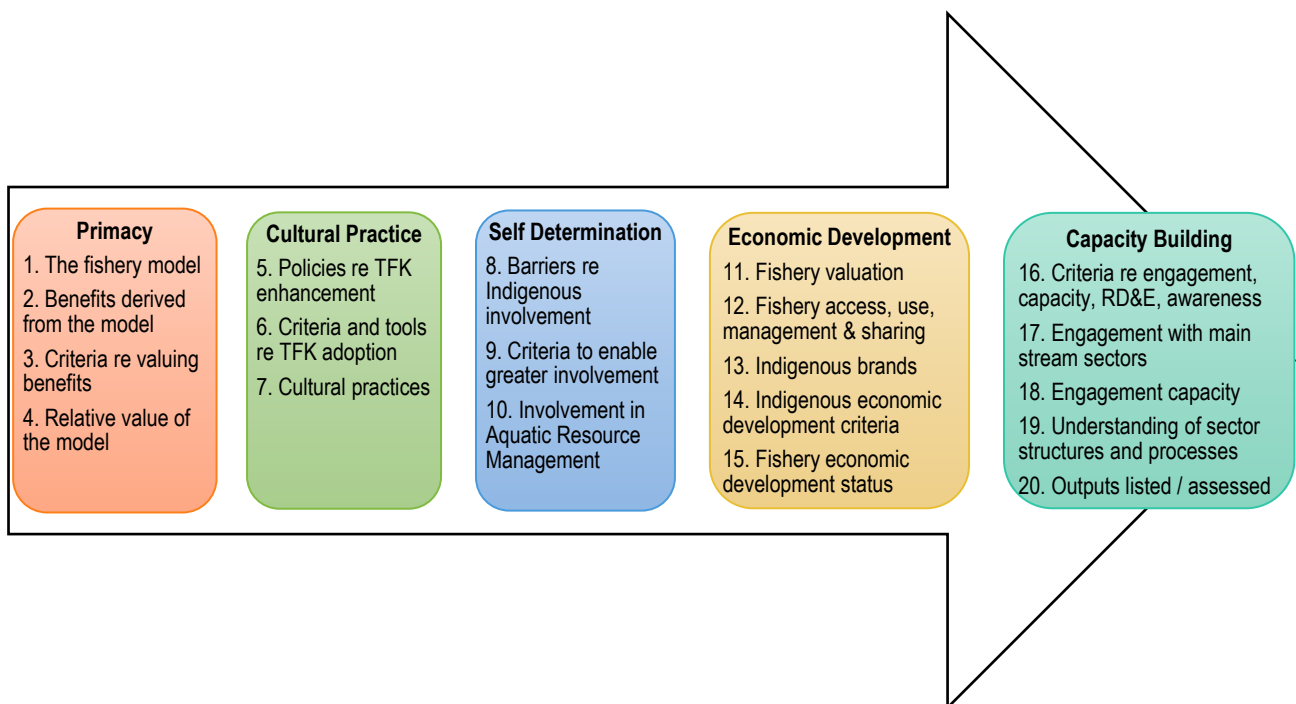
The project has created outputs and extension strategies that are grounded in the IRG's R&D Framework above. It is important to recognise the central role the framework plays in this project and successive RD&E studies IRG is contemplating.

The framework (Figure 2) provides an integrated strategic baseline that can support and guide each Australian Indigenous fishery community along a staged pathway to increased economic development. Initial issues or primacy of Indigenous people over land and fishery resources, are ultimately embedded and leveraged over four successive stages to a point where a community has the control and capacity over its fisheries (customary, commercial and recreational) for Community benefit.

Clearly the framework has broad application to any community (Indigenous or otherwise) seeking to preserve its cultural values, while it reaches for greater economic outcomes for its members based on community resources.

Given the great diversity of Australia's Indigenous fishery communities (across culture and ethnicity, location, marine species and resources, social and economic aspirations, etc), the project team has worked consistently to identify, understand and assess macro and micro (i.e., small entity based) issues against this strategic framework. In hindsight it is clear to the project team that the IRG's framework is well structured and fit for purpose. In Figure 3, framework criteria are presented in simplified format which has been applied to each individual case study.

Figure 3. IRG's Output Assessment Criteria



1. MACRO PROJECT OUTPUTS

During the 5-year term of the project, the project team's outputs have included:

- Data sets in electronic form,
- Literature review and desk research papers and records,

- Periodic Progress Reports to the IRG, and related email and phone advice to IRG and FRDC,
- Direct consultation, advice and mentoring to community members, fishers and third parties regarding community aspirations, fishery development concepts, Business Plans and Models. The PI has spent 21 days on community sites in discussion with fishery community leaders.
- An analysis of existing and preferred economic development models for Indigenous fishery communities,
- A comprehensive *Indigenous Community Assessment Tool*, a matrix of knowledge, processes, capacities, policies and initiatives that can map each community against the IRG's development framework. This tool was developed jointly with Dr Ann Fleming.
- A National Indigenous Extension Strategy,
- The project called for each case study fishery to receive a brief one-page extension strategy summary. This has been developed and provided for fisheries that agreed it would be a useful contribution to their process.
- Final Project Report, including conclusions and recommendations.

The Project team has been asked by the IRG/FRDC to consider additional extension options including, a national or individual feedback seminar to share learnings with IRG and each Indigenous fishery, and brief review of the thoughts, processes, and learnings that were part of the IRG's experience during development and implementation of the Workplan. The IRG has supported the project team and case-study communities, by participating and providing input.

In the longer term (beyond the 5 year life of the project, these outputs will potentially empower community self-management and capacity to monitor fishery progress against cited aspirations. The level of adoption and uptake of this for each community is unknown, and subject to many variables.

Data for each case has been detailed in the case study and in the conclusions to this report. At the fishery level, this includes indicators of value including in decision-making, enterprise viability, alignment with fishery management, etc. Major barriers to this outcome are identified for each case.

At the national or jurisdictional level, the summary data in this report indicates that all case study ventures, if implemented as per consultations, will add commercial value to their respective Indigenous communities.

Literature review and related broad (i.e. macro) project learnings, issues and outputs have been variously documented in three areas – Capacity, Alignment and Framework. Each issue, correctly managed, has the potential to increase the value of our Indigenous fisheries and the outcomes for Indigenous community members. They are summarised here and detailed in this report.

CAPACITY

The Indigenous Estate.

Indigenous people now own or have legislated rights under various exclusive and non-exclusive Native Title and rights, to 40% of the Australian land mass and related fisheries.

But these rights are not flowing into beneficial outcomes for Indigenous communities. Welfare and charity have not and are not achieving all that was

Governance determines who has power, who makes decisions, how other players make their voice heard and how account is rendered.

promised by two decades of court decisions, and so now communities must adjust their customary governance to align with the expectations and regulations of non-Indigenous laws and institutions. Formation of community Ranger Groups is a solid first step in this journey, but a broader range of opportunities exist to generate additional economic outcomes.

National Focus for Communities

The majority (57%) of Australia's 670,000 Indigenous people live in urban areas, major cities or inner regions. Outer regional (22%) and remote (21%) Indigenous populations are located as communities across Australia's large land and sea mass. These communities are predominately located in northern Australia, where 52% of Indigenous people live. But many Indigenous community members from country in northern Australia also now reside outside that country in southern cities along with local aboriginal people.

The fishery and aquaculture RD&E investment focus needs to reflect where Indigenous people reside and maintain fisheries.

In northern Australia and in remote areas, large distances and lack of infrastructure compound social and health issues and mitigate against long term employment. Employment is critical to economic development. Successive Federal and state governments have launched large projects to support employment and economic welfare of northern communities.

The National Closing-the-Gap Reports tell us some community outcomes are improving but many seem intransigent, despite the large investments.

Various policy and investment initiatives have been proposed to assist Indigenous communities, including lower business taxes, low interest loans, mentoring and sponsored training and education, seed funding or business start-up grants, less red tape, assistance to reach new markets.

Global Seafood Demand

Indigenous fishery communities face increased global seafood demand in Asian markets that value nutritious, safe and sustainable wild fisheries offering niche brands carrying cultural credence attributes. If this economic driver is approached and captured professionally and persistently over the long term, it has the potential to fund the economic development of Australia's Indigenous Fisheries.

Local Inbound Tourism

Indigenous fishery community leaders are generally aware of the commercial opportunities available to them for parallel tourism ventures and unique ways to experience and understand Australia's Indigenous heritage and landscapes.

Increasing demand for high-end experiential tourism is and will be attractive to consumers with rising disposable incomes in the Asian region. But the initial attempts to boost this trade indicate that communities need to refine and better understand their market and the products they offer.

Use of Data

There is a deep mine of data available regarding the issues faced by Australian Indigenous communities. The Australia Census is increasingly refined to target Indigenous demographic gaps and trends relevant to building economic capacity.

Another very positive trend is the recent shift from social and health data to also include inputs from professional bodies (AICD), financiers (KPMG), and large businesses (mining companies) to lead, collaborate and invest in better data and awareness of the economic development gaps in these communities.

ALIGNMENT

One of the major outputs from this project is a documented understanding of the macro issues faced by Indigenous fishery communities. However, as the alignment is best assessed at a community or micro level, the discussion in the next section presents these outputs. The project team identified three relevant macro alignment sources in the literature, as follows:

Track Record of Indigenous Private Business

Australia's Office of the Registrar of Indigenous Corporations (ORIC) reports on Australia's Indigenous entities. In 2014-15:

- 2,688 corporations are registered - 170 new entities in the year,
- Of the Top 500, NT hosted 33%, WA 25% and Qld 19%,
- Health & Community Services was the largest sector (39% of entities),
- Highest growth was in mining, communications and municipal services,
- Combined income of the top 500 was \$1.88 Bn, up 8.2% for the year,
- Combined value of assets for the top 500 was \$2.22 billion, up 5.7%,
- The Top 500 entities employed 11,095 FTEs,
- Average number of directors per Top 500 entity was 8.1 - 53% were female,
- Fisheries were not featured in the reported data.

Indigenous Performance and Use

Every five years the FRDC (**FRDC 2014-235, 2014**) undertakes a Delphi - style (via iterative consultations with 80-100 practitioners and experts) review of the Performance and Use of Australian fisheries. The aim of this project is to inform fishers, fishery managers, researchers, investors regulators, other stakeholders and the public about the performance and use of these national assets as a basis for action.

Across 34 standard assessment criteria that cover four broad assessment themes – fishery management, environmental matters, economic matters, and social and engagement matters - the latest review (2014) engaged a small sample (4) of Indigenous customary fisheries. Experts rated these fisheries at 3.7 out of 10. By comparison other sector ratings were: Commercial wild catch 5.9; Recreational 4.9; Aquaculture 6.1.

Failure Points for Aquaculture

Aquaculture (including ranching) of premium seafood species is a small but growing interest for Indigenous fishery communities. Studies have found that Indigenous aquaculture ventures have failed for 3 primary reasons – lack of market capture, inadequate business capacity and direction, and cultural issues.

Non-indigenous aquaculture ventures also fail. Their reasons for failure are similar to those noted by Indigenous ventures, and are risks facing any new business. But pinpointing the causes of these aquaculture failures is more complex as there are many more variables at play – for example, a broader range

of species targeted, a larger range of operating sites and aquaculture systems employed, and more complex business structures used. And then there are the single-site ventures that have multiple licences that fail at one species but then switch to another species on their license (e.g. farms switching between barramundi and prawns in Queensland). Are these venture failures or simply sound management responses to commercial threats? And are the many current examples of inactive aquaculture “sleeper” or “dozer” licences evidence of commercial failure?

The available literature suggests that new aquaculture ventures (in this case non-Indigenous) failed as they were pioneers (leading edge investors) in the development of new terrestrial and a marine aquaculture industry in Australia. First-movers face higher venture start-up risks, often unforeseen, due to technical and regulatory problems not faced before. The higher risks in an evolutionary context are therefore an important contributor to venture failure.

A 2016 study (**Regulatory Failure and Risk in Aquaculture - a case study of the Irish Oyster Industry, 2016**) highlighted regulatory uncertainty and change as a longstanding major cause of global aquaculture venture failure in the last two decades. Another US study (**Knapp, et al., 2016, Volume 24, Issue 3**) identified five reasons for the constraint and failure of marine aquaculture - (1) marine aquaculture is relatively small, diverse, and (with some notable exceptions) unproven; (2) marine waters are public resources; (3) some Americans perceive potential negative effects of marine aquaculture without offsetting positive effects; (4) aquaculture faces significant social opposition; and (5) the governance system for leasing and regulation hinders the development of U.S. marine aquaculture.

In summary, there is limited research that directly compares the failure rate for Indigenous and non-indigenous aquaculture ventures in Australia. However, it is clear that “business risks” (such as technology, biology, regulation, markets) are a major reason for failure of aquaculture ventures for both Indigenous and non-indigenous parties. Venture launch timing and regulatory and public responses will have direct impacts on venture success. Cultural barriers will contribute a further risk to venture failure for Indigenous proponents. On balance, the failure rate for non-Indigenous aquaculture ventures in Australia will likely be similar.

FRAMEWORK

Governance

Indigenous Community governance has been a hot topic in the literature for a decade. This report addresses it in detail as a basis for understanding cultural governance, corporate governance, and what works, when and where. This discussion forms the basis for consideration of the most important issue in this report – community and business models applied to economic development.

Models

A number of models are drawn from the literature and expanded through first hand consultation in the micro outputs, discussed below.

Jurisdictional Legislation and Policy Settings

The legislative landscape has a large and often direct impact on the style and momentum of Indigenous fishery community development. The project team assessed a set of standard criteria for each state and national fishery jurisdiction.

2. MICRO PROJECT OUTPUTS

Case study outputs have been identified in discussion with each case study community, based on their aspirations, capabilities and preferences. The scale of outputs from individual case studies is wide and deep, reflecting the diversity of Indigenous fishery communities. The relative mix and priority for these varies greatly, case by case.

Onsite consultation events undertaken by the Project Team for each community have been listed above under the consultation events undertaken.

The micro outputs provided for fishery communities have varied due to the nature and location of the community, the maturity of its fishery development aspirations, and their respective desire to engage in this FRDC project. Outputs provided include:

- Draft and Final extracts of the relevant case study documentation from this report, documenting aspirations for the community, a snapshot of their community capacity and fishery resources available, their preferred economic development model for their fishery, the economic drivers for their fishery development, and an assessment of the capabilities and gaps the community faces in pursuit of their fishery development objectives,
- Summary data for the project,
- An Extension Strategy for their specific community fishery based on the findings of this project, if considered of any value by the community.

3. END USERS FOR OUTPUTS

The FRDC has requested (letter of 7 December 2012, item 9) that the project identify market/end users of research outputs, and related gains in key areas: productivity, access, viability, sustainability, management practice, and risk profile.

The project extension strategy has identified a number of market users for research outputs created by this project (see next section). Of particular interest in market terms are the following groups who will benefit directly from the reports outputs and recommendations:

1. Leaders of Indigenous fishery communities – their interest will be across the report, but key areas will be governance, risk management and management process and planning,
2. The national Fisheries and Aquaculture industry, (e.g. NT Seafood Council and commercial operators) will be alert to investment and joint venture opportunities for commercial activity related to Indigenous fishery assets. fisheries,
3. Commonwealth, State and Territory Government agencies will take from the report a fresh view and related recommendations from case study discussion regarding fishery specific ventures and how support policies and programs (e.g. low interest loans, tax planning) may be adjusted to motivate economic development,
4. ORIC, Indigenous Business Australia and other agencies will note the recommendations for FRDC/IRG to work collaboratively to identify, assess and support RD&E in prequalified fishery community ventures,
5. NGOs and other bodies managing Indigenous fishery developments will have a general interest in the report and related outputs.

6. Other researchers engaged in the Indigenous community sector may consider the report's recommendations and outputs relevant subject to their specific project portfolio and organisational purpose.

4. EXTENSION

The Project Work Plan required development of an Indigenous Extension Strategy for the project.

The Project Team met by teleconference on 26th February 2015, and agreed that the Extension and Adoption Plan would apply to all case studies in the project, as they were progressively identified and engaged in the project.

AIM

The aim of the Extension Strategy is to:

- Extend the findings from the all case studies to the IRG, FRDC, case study communities and selected stakeholders,
- Inform, document and promote their adoption of strategies and structures that better define Indigenous community needs,
- Deliver and leverage national fisheries and aquaculture RD&E to create new capacity that will enhance Indigenous community performance.

AUDIENCES

The Extension Strategy engages with the following audiences:

- The FRDC, the IRG and the Project team,
- Case study fishery community leaders,
- Other Indigenous Fishery Community leaders,
- The Australian Fisheries and Aquaculture industry, including commercial operators (both Indigenous and non-Indigenous) who may seek investment in indigenous fisheries,
- Commonwealth, State and Territory Government agencies,
- ORIC, Indigenous Business Australia and other investors and collaborators,
- NGOs and other bodies managing Indigenous fishery developments,
- Experts, mentors and advisors,
- Other researchers in the Indigenous research area.

KEY MESSAGE

The messages extended need to be appropriate for the current and emerging capacity of the participating communities and their entities. The extension process will vary based on these target audiences and the context of the message being delivered during the strategy's life. The key message is that:

- The community can design, own and manage sound RD&E investments in its own fisheries.
- This can be done by the community for the community to suit their aspirations and needs over time.
- Shared community leadership and RD&E investment will increase the value and performance of community fisheries.
- Well managed fisheries will create economic, social and cultural benefits for all community members.

This Indigenous Extension Strategy was submitted to the IRG in March 2015.

5. PERFORMANCE INDICATORS

The following table presents a summary of outputs and expected outcomes against the project's Performance Indicators.

Project Performance Indicator	Consultation Attendees
1. Case studies are identified, and related local teams identified	The project has identified and engaged with eight case study communities, as approved by the IRG. From this group, seven community case studies have been documented and recommendations made in this report.
2. The level of Indigenous fishery engagement in and leadership of the micro and macro project	The level of engagement by each of the seven communities with their respective fishery resource, has been documented.
3. Milestones are managed on time - especially the first 3 milestones that develop the comprehensive work plan and outputs strategy	Milestones and related reports to IRG and FRDC have been completed as per the project requirements. Some delays have occurred due to the specific circumstances of each community (e.g. need to delay engagement due to death of a community member).
4. The frequency and effectiveness of the PI's meetings (formal and informal) with the Project Team and the IRG will be a good indicator of the level of project activity and the related transfer of learnings as they emerge	The PI has been available to attend and or submit information and reports, to the IRG/FRDC. This includes attendance at and presentations to project related seminars and events. The PI has been in direct contact with the IRG EO and Chairman regarding some issues related to management of engagement with some communities.
5. The level of adoption of uptake project learnings and outputs (economic /social /cultural) by participating fishery communities	The uptake of learnings by communities is subject to proposed feedback activities being planned with the IRG.
6. Adoption of outputs by communities	Adoption of outputs by communities is subject to proposed feedback activities being planned with the IRG.
7. Uptake of outputs by fishery management agencies	The uptake of outputs by fishery management agencies is subject to proposed feedback activities being planned with the IRG.
8. Uptake of learnings by the IRG.	A number of learning and extension events are planned by the IRG and PI, subject to feedback and further consultation with case study communities.

F. TERMINOLOGY

1. WHAT IS AN INDIGENOUS COMMUNITY FISHERY

In this study, Indigenous communities are permanent townships and outstations comprised predominantly of Aboriginal and Torres Strait Islander people. They may be single communities, clans, families or subgroups, or may be a more diverse community with a single shared aspiration. Indigenous fishery communities participate variously in all Fisheries and Aquaculture Industry activity in Australia, including:

- Customary activities where they observe cultural norms and practice traditional fishing crafts for food and other benefits in support of their Indigenous communities and cultural life. Specific frameworks for customary fishing may vary throughout Australia by reference, for

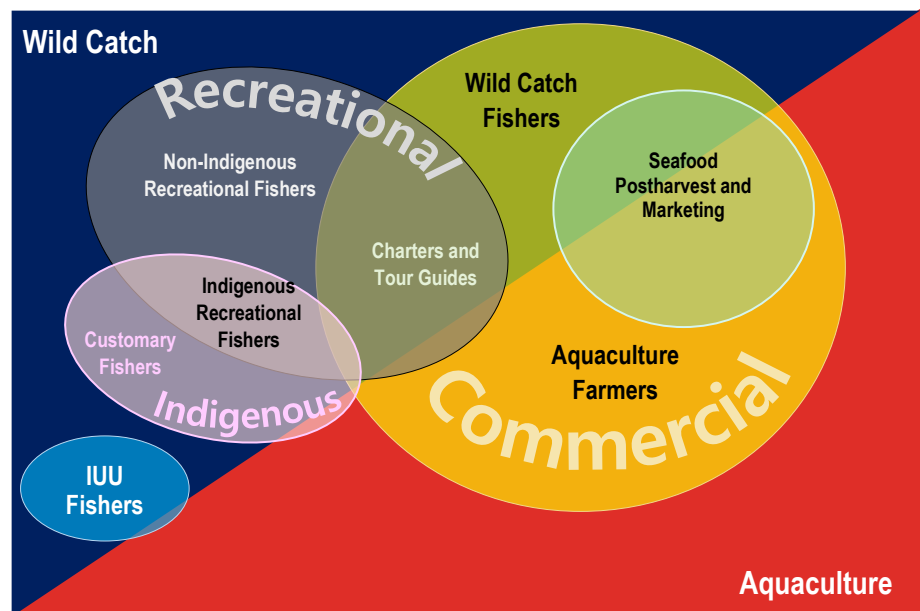
example, to marine zones, fish species, Indigenous community locations and traditions or their access to land and water.

- Commercial activities (including fishing, charter or fishing tour guide businesses) for commercial gain in wild catch fisheries in marine, estuarine, or inland waters,
- Aquaculture activities for commercial gain, or for providing food or recreation for their community,
- Recreational activities in pursuit of leisure and social wellbeing.

Figure 4 illustrates Australia’s fishing sectors – Commercial (wild catch, aquaculture and downstream seafood); Recreational; and Indigenous; and Illegal, Unreported and Unregulated (IUU) catch.

The commercial sector when grouped with downstream fishing, post-harvest and processing activities is referred to as the Seafood Sector. These sectors operate as wild catch or aquaculture systems, in waters that range from open marine through to impounded fresh water ponds and tanks. People in Indigenous fishery communities variously participate in all sectors and waters.

Figure 4. Fishery Sectors Accessible to Indigenous People



2. COMMERCIAL V'S BUSINESS V'S ECONOMIC

This report applies three terms related to activity with specific meanings that are not interchangeable – commercial, business and economic.

COMMERCIAL

“Commercial” is the narrowest term – it is the activity of buying, selling or trading of any good or service by a firm or person strictly for financial gain. Commerce is a process or activity carried out by a business, similar to communication or transport. You can not own “commerce” but you can own a “business”

BUSINESS

A “business” is an entity (never a person) that is owned by shareholders and undertakes the activity. The entity can take many forms (e.g. sole trader, partnership, trust, private or public company, statutory authority) depending on the aims of the shareholders. And “running a business” can include many more things than commercial activities, for example philanthropy and corporate social responsibility programs are important business activities that change public and consumer perceptions and behaviour, but these are not referred to as “commercial activities.”

The central aim of a “business” entity is to create financial wealth or gains, which can be shared among the owners or beneficiaries. But a “business” may also be an entity that is “for surplus” (i.e. most “Not-for-Profit” entities, charities or foundations), whose business models aim to create financial wealth to benefit target groups. Under existing laws “a surplus” is not distributable amongst the owners or beneficiaries. Most Not-for-Profit entities must also operate on “commercial” terms to be efficient and survive and prosper.

“Micro” economic analysis is conducted at the level of a business or company.

ECONOMIC ACTIVITY

“Economic” activity is the broadest term – it involves the production, distribution and consumption of goods and services at all levels within a society.

These are “macro” (i.e. regional or national or global scale) economic activities, comprising one of the three legs of the triple bottom line – environmentally, socially and economically sustainable.

Macroeconomic outcomes are the aggregate result of commercial and Not-for-Profit activities and investments by many individual microbusinesses or companies, typically supported by government policy settings.

3. WHAT IS A BUSINESS MODEL?

What is a business model and why is it important in this project?

“Business Model” terminology arose in the 1980s when the invention of computers and spreadsheets enabled business managers to break out and disassemble the components of their business and test the performance of each, to find better ways to operate. They used computer based financial models to do this. So, the term business model arose as a way to describe the approach, structure, strategy and style of a business.

Today the concept of a “business model” is more sophisticated and nuanced, but still highly relevant. For example, the global retail media is now describing Amazon’s on-line business model as a major competitive disruptor¹ for existing retail companies that own retail stores and rely on foot traffic sales.

¹ Disruptive innovation is a term in the field of business administration which refers to an innovation that creates a new model or market and value network and eventually disrupts an existing model, market or value network, displacing established market leading firms, products, and alliances.

Business models explain how enterprises work. A good business model answers the age-old questions, “Who is the customer? And what does the customer value?” It also answers the fundamental questions every manager must ask: “How do we make money in this business? What is the underlying economic logic that explains how we can deliver value to customers at an appropriate cost?” These questions also ask about the owners, their intent and the culture they bring to business decisions and processes.

The choice about which business model is best, is therefore a fundamental decision for Indigenous fishery communities seeking to set up a business based on their fishery or aquaculture resources.

Corporate Governance

In this report Corporate Governance relates to a venture and not to a community – it is the basis for sound financial and risk management of that venture, and typically guides the creation of economic wealth.

Communities are advised to carefully define and separate cultural governance from their corporate governance.

Clear separation enables and promotes better management of conflicts-of-interest for people in leadership and governance roles, and for delegation of decision authorities, policy development and implementation, and reporting of outcomes to communities and stakeholders.

Fuzzy and uncertain governance is a problem that will come back to fester and create longer term management issues for a venture.

4. WHAT IS GOVERNANCE?

Governance is a straight forward concept but is very complex to implement effectively. In a nut shell (Institute of Governance, United Nations),

Governance determines who has power, who makes decisions, how other players make their voice heard and how account is rendered.

Good governance (both formal and informal) serves to realise organisational and societal goals – bad governance raises the risk that these aspirational goals will not be achieved and at an additional cost to society.

5. PRESCRIBED BODY CORPORATES AND RNTBCS

Prescribed Body corporates (PBCs) take care of Indigenous country, in a range of contexts, and bring unique experience to that work, reflecting the diversity of Aboriginal and Torres Strait Islander culture throughout Australia.

PBCs also have a common context and common challenges in which they operate. Many PBC decisions involve land and water management, engaging with government around service delivery, carrying out and maintaining traditional and contemporary land use activities and creating development opportunities and enterprises to improve the wellbeing of their native title communities. More details are available at the Native Title website (<http://nativetitle.org.au>).

Although native title corporations are commonly referred to as PBCs, this is not strictly accurate. Under the *Native Title Act 1993* (Commonwealth), as part of the determination of native title, native title groups are required to nominate a ‘prescribed body corporate’ or PBC to hold (as trustee) or manage (as agent) their native title.

Following a determination under the Act, PBCs are entered onto the National Native Title Register. At this point, the corporation becomes a registered native title body corporate or RNTBC (Registered Native Title Body Corporate). While the terms PBC and RNTBC are often used interchangeably, the Native Title Act 1993 deals with them separately. While RNTBC is technically the accurate name for these organisations, PBCs is the most commonly used term.

6. INDIGENOUS LAND USE AGREEMENTS

The national register of Indigenous Land Use Agreements (ILUAs) contains information about Indigenous land use agreements that have been accepted for registration. Registered ILUAs are a type of contract between native title holders

and other parties. They bind all parties and all native title holders to the terms of the agreement. Further detail is available at <http://www.nntt.gov.au/searchRegApps/NativeTitleRegisters/Pages/>.

An ILUA is relevant to a specific case study as it will declare that community's right to use marine and aquatic resources for fishing.

The following paragraph cites an example of an ILUA for one of the community proponents of the Aarli Mayi aquaculture project in the WA Kimberley (Bardi and Jawi Native Title Determination) (**Native Title Research Unit, 2014**).

"The non-exclusive native title rights and interest that exist in relation to the determination area are: a) the right to live on the land; b) the right to access, move about and use the land; c) the right to hunt and gather; d) the right to engage in spiritual and cultural activities; e) the right to use resources including food and ochre and; the right to refuse, regulate and control the use of the land by others
The right over water which also exist include: a) the right to use and enjoy the reefs and associated water; b) the right to hunt and gather, including for dugong and turtle, and; c) the right to use the resources for food, trapping fish, religious, cultural and ceremonial purposes".

7. WHAT DOES PERFORMANCE AND CAPACITY MEAN?

Fisheries and aquaculture activities create value and benefit for communities and consumers in many ways. Flows of value and benefits include fresh seafood; outdoor recreation and cultural maintenance for communities and individuals, and financial returns from commercial use.

These current flows may also be bundled with future benefits and values, for such outcomes as legacy values of environmental marine assets for the next generation of Australians. Over the long term the performance of a fishery or aquaculture venture is a comparable measure of the flows of value (social, economic and environmental) from the fishery or aquaculture assets and activities. A fishery asset that is utilised and performs well will create a higher value for its respective community.

Fishery and aquaculture capacity is the capability of the assets (aquatic resources, human skills, financial resources, marine habitat, etc) active in creating the performance flows.

All fishery and aquaculture sectors (commercial, recreational and Indigenous) can be assessed using these performance and capacity approaches. However, the design of the measures and related indicators will be selected to best suit the situation, for example, input or output measures, or spatial or temporal measures, etc. In 2015 the World Bank co-funded a project that established a very robust assessment template to assess fishery value. (**Anderson J, 2015**).

BEST USE

From a western viewpoint, Best Use is achieved when the allocation and management of marine and aquaculture resources achieve their full potential in generating maximum value and benefit for the community. From an Indigenous perspective a community may place less priority on economic outcomes and higher priority on cultural drivers (**FRDC 2015-205, 2018**).

Outcome will also incorporate benefits derived by all stakeholders from both active and passive use of fisheries and aquaculture. FRDC's working definition of Fishery Best Use is as follows.

Best Use	Environment	Economy	Society
<i>Use which creates impacts and benefits for:</i>	<ul style="list-style-type: none"> • Marine • Terrestrial • Fishery and aquaculture species 	<ul style="list-style-type: none"> • National & regional • Enterprise, or agency • Supply chains & markets 	Communities own fisheries. They seek recreation, or to following cultural practices
<i>...and is redefined as embracing a number of values and outcomes:</i>	<ul style="list-style-type: none"> • Environmental sustainability, • Economic viability of commercial, recreational or Indigenous customary fishers, or aquafarmers, • Maximising economic value streams for seafood and recreation markets, • Effective management through leadership contributed by users and regulators, • Well defined shares for different users and mechanisms for tradability of shares, • Social license to operate, • Community expectations as to management of and access to fishery or aquaculture activities, • Indigenous community access to fisheries and aquaculture, • Where fisheries are regionally important, corporate responsibilities cover local employment and reinvestment in community, • Leading industry practices foster Indigenous employment, female employment, adoption of new technology, and process improvement, • Government policy of the day. 		
<i>...across activities.</i>	Commercial wild catch fishing, Recreational fishing, Indigenous customary fishing, and Aquaculture farming.		

Best Use must be determined over time subject to public expectations. If public expectations are low (possibly due to mass media interventions), for example, best use may be more easily achieved than if public expectations are high.

PERFORMANCE GAP

The performance gap is measured as the difference in value and benefits derived from managing fisheries and aquaculture to their best use to generate the greatest benefit to the community, compared to outcomes and benefits from their current use and management.

Since 2009 the FRDC has been developing a review methodology to assess the performance and use of a selection of Australian fisheries. The review is updated every 4-5 years across all sectors. (FRDC 2014-235, 2014) The methodology does not yet cover a sufficient number of Indigenous fisheries to enable accurate assessment and reporting.

8. COMMUNITY'S PRIORITY FOR ECONOMIC DEVELOPMENT

Communities must build the confidence and tools to assess the value of their fishery assets. This includes making choices about the fishery's best use and what gaps and value trade-offs arise from these choices. A key question is how important economic development is in the context of a community's future wellbeing.

Is Economic Development desirable?

Under a western view, financial investment drives and facilitates economic change that improves peoples' lives. It enables economic development directly, for example, by employing people, or indirectly by building community health infrastructure that improves community health and wellbeing.

This view also has currency in an Australian Indigenous community, but also requires deeper understanding of and more complex trade-offs with other community values - social, cultural, governance and health.

The matter was considered in 2011 by the United Nations Permanent Forum on Indigenous Issues, (**Donnelly, 2011 May**). In a joint submission to the UN, 16 Australian organisations lead by the National Native Title Council, stated that "The end goal of Economic and Social Development should be to achieve parity with the mainstream economic and social development experience." The submission also stated that development should be in accordance within the community's aspirations, be confirmed through prior consent from the community consent, and in such a way that Indigenous people achieve greater control and independent ownership of the Indigenous Estate and determination of economic and social development priorities.

A recent study by the FRDC's Indigenous Fishing Subprogram has considered (and is soon to report on) the livelihood values of Indigenous cultural fishing (**FRDC 2015-205, 2018**).

The FRDC's National Fishing and Aquaculture RD&E Strategy 2016 considers these choices and related drivers, noting a need to "understand and seek potential in the non-financial (health, social, cultural) values of "fish" (**FRDC RD&E Strategy 2016, 2016 p. 24**).

In the context of this report and related case study communities, further consideration is needed regarding the extent to which individual Indigenous communities want "economic" development to occur in their community, and how and when that occurs (see box). In at least three cases leaders cite conflicting aspirations in their communities, between increasing welfare dependence offset by the challenge to engage community members in fisher activities to create shared economic and social benefits. Torres Strait leaders and the TSRA identify this as a major issue in their fisheries.

Relevant issues identified by this study in discussion with communities relate to the format and priority of economic development, its timing and duration, alignment with cultural norms, trade-offs with existing non-financial values, equity in receipt of net benefits, likely unforeseen spill-overs and adverse impacts, and the level of governance and control community will have over the process and the outcomes. While recognising and endorsing these trade-offs and a nuanced approach to economic development in Indigenous Communities, this study is written from the western economic perspective and cites evidence accordingly.

G. INDIGENOUS REFERENCE GROUP

In April 2010, the National RD&E Strategy for Fishing and Aquaculture was endorsed by the Primary Industries Ministerial Council (PIMC). The Strategy identified a gap in engagement and identification of Indigenous priorities.

In 2012 the FRDC established an Indigenous Reference Group (IRG) to assist in working towards a Fisheries Research, Development and Extension (RD&E) plan for Indigenous Australians. The Strategy agreed to utilise the FRDC's Indigenous Reference Group (IRG) to:

- Provide Indigenous advice,
- Work towards better engagement processes in developing Indigenous RD&E priorities,
- Improve extension of RD&E outcomes and outputs to Indigenous Australians.

The IRG has developed its strategic direction and action plans into a comprehensive integrated Strategic Planning Document comprising 11 Principles, 5 Key Aspirations and Contexts, and related RD&E Priorities.

The approach taken by the research team for this project is firmly anchored by these strategic guiding principles and aspirations. The progressive aspirations of individual Indigenous fishers and their communities across Australia will be met based on firm principles and guided planning and investment. These integrated concepts are presented in more detail on the following page.

The scope of the IRG is primarily to ensure that fishing and seafood industry focused RD&E delivers improved economic, environmental and social benefits to Australia's Indigenous people. The IRG is expertise based, advisory in nature, and

makes recommendations to FRDC on strategic issues relevant to Indigenous RD&E in the fishing and seafood industry. Details of the IRG's Terms of Reference, and strategic framework can be found at http://www.frdc.com.au/environment/Indigenous_fishing/Pages/Indigenous-Reference-Group.aspx.

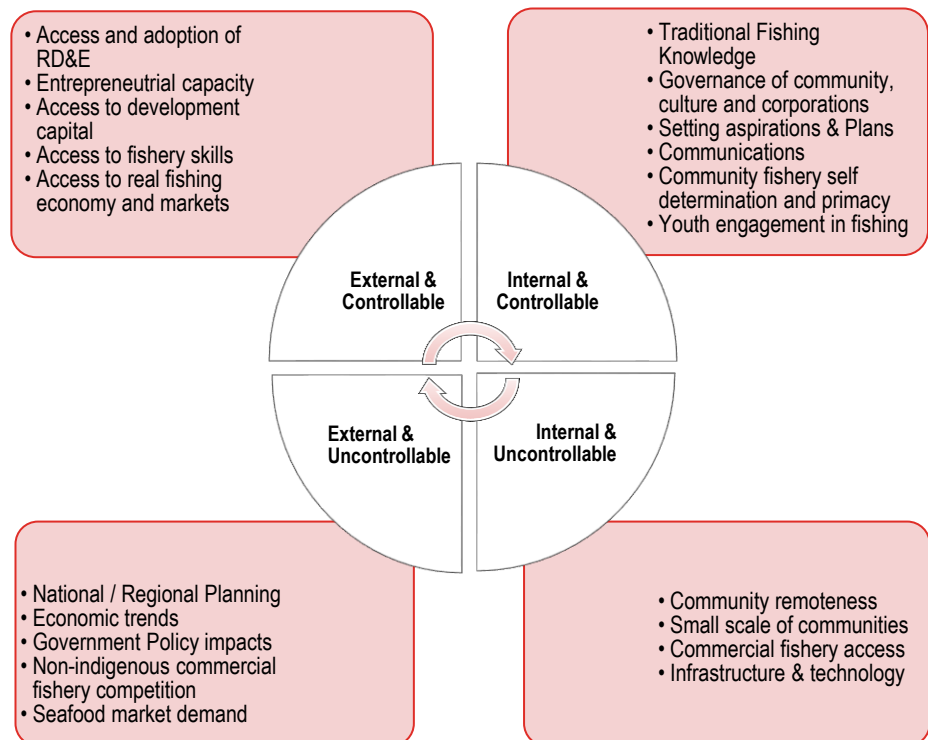
2. ISSUES AND DRIVERS FOR INDIGENOUS FISHERIES

A. CONTEXT

There are many issues influencing Australia's Indigenous fishery communities. These issues may be either or both internal and external to the community. Issues are typically manifest as drivers of change that impacts one or more communities.

Some issues and drivers are fully controllable, and others are partially controllable, or not controllable at all.

Figure 5. Indigenous Community Issues and Drivers



These drivers of change create both barriers to achieving change, as well as opportunities for development that will improve outcomes for communities.

Dynamic drivers create risks and opportunities for community change. Some are completely uncontrollable while others can be partially or totally within the control of the community. With good management excessive risks can be controlled or offset to create sustainable returns. A community should not expect a long-term return without some acceptance of risk related to their issues and drivers.

B. COMMUNITY REMOTENESS AND SMALL SCALE

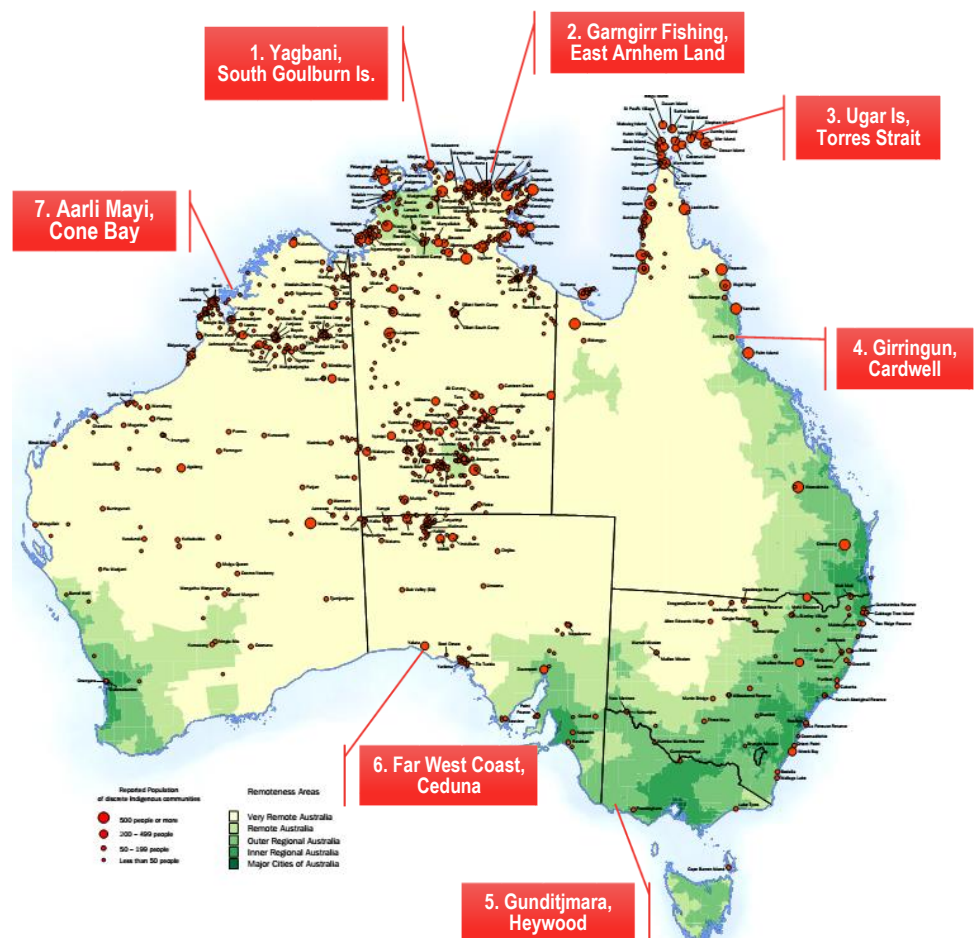
As previously noted, 57% of Australia's 670,000 Indigenous people live in urban areas, major cities or inner regions. Outer regional (22%) and remote (22%) Indigenous populations are located as communities across Australia's large land

and sea mass. These communities are predominately located in northern Australia, where 52% of Indigenous people live. But many Indigenous community members from country in northern Australia also reside outside that country in southern cities along with local aboriginal people.

Most Indigenous fishery communities are small in both geographic size and in population. Many are also remote from urban centres, product and service markets such as retail outlets and national grid telecommunications, power, sealed roads and other infrastructure. Figure 6 indicates the location and scale of all discrete Australian Indigenous communities in 2007. The map, while a little dated, shows the large number of communities across northern Australia, and along the extensive marine coastline. Coastal Indigenous communities are invariably fishery communities.

There are over 200 discrete Indigenous communities and 600 outstations or homelands in northern Australia, some with populations that fluctuate in accordance with seasons. A discrete Indigenous community is defined as a geographic location with a physical or legal boundary that is inhabited or intended to be inhabited predominantly (more than 50%) by Indigenous persons, with housing or infrastructure that is either owned or managed on a community basis. The map also highlights the location of case studies reported in detail in this report.

Figure 6. Map of Australia's Indigenous Communities and Case Studies



Source: Australian Bureau of Statistics 2007 www.abs.gov.au

The impact of relative remoteness is significant of economic development capacity. A national review (**Productivity Commission, 2014 Nov**) notes that the more remote an Indigenous community is, the more likely houses are to be overcrowded, and the less likely that:

- Students (17-24 years) will be fully engaged in employment or training,
- Young people (20-24 years) will achieve grade 12 certificates,
- Adults (20-64 years) will achieve a Certificate III or above,
- Home ownership will be achieved.

In 2016, 60% of Indigenous Australian are under 35 years of age.

(KPMG, 2016)

C. GOVERNANCE

Effective governance is one of the most complex and challenging barriers to Indigenous community development.

1. GOVERNANCE IS ANCHORED IN CULTURE

Governance varies from culture to culture, and from community to community. Governance will change over time as the people in the community change, and the aspirations and goals of the community evolve and mature.

The public literature on this topic is expansive and tends to be academic. The referenced papers in the following discussion are the few that make a valued contribution to this specific case study project.

Having good governance is very important to achieving Indigenous community aspirations.

But before any aspirations are described, communities (Indigenous and non-Indigenous) must look across the layers of their extended family group, clan, culture group, community, nation or organisation to see the wider influences of other organisations, groups, communities, businesses, companies, governments, economic forces and laws. These all interact and influence how culture evolves and how well governance could or does work. A significant challenge for better governance is the inherent diversity of Australia's Indigenous cultures and communities.

The five primary aspirations (presented below and previously identified in Figure 2) are directly related to Indigenous culture. Primacy is unique - it relates to recognised rights of Indigenous people (including for example, rights confirmed by Native Title) associated with and based on the prior and continuing occupation of country and water and activities associated with their use and management. The four other aspirations will only be achieved where community governance is effective.

Cultural Practice, Self Determination, Economic Development and Capacity Development are aspirations whose fulfilment relies heavily on the development of governance.

1

What we know about Indigenous Community Governance

- Strengthening organisation capacity for both Indigenous and government is critical
- Close involvement of Indigenous people in decision making is critical
- Better Indigenous governance will first require strengthening of values, goals, structures, and arrangements that influence behaviour and wellbeing

2

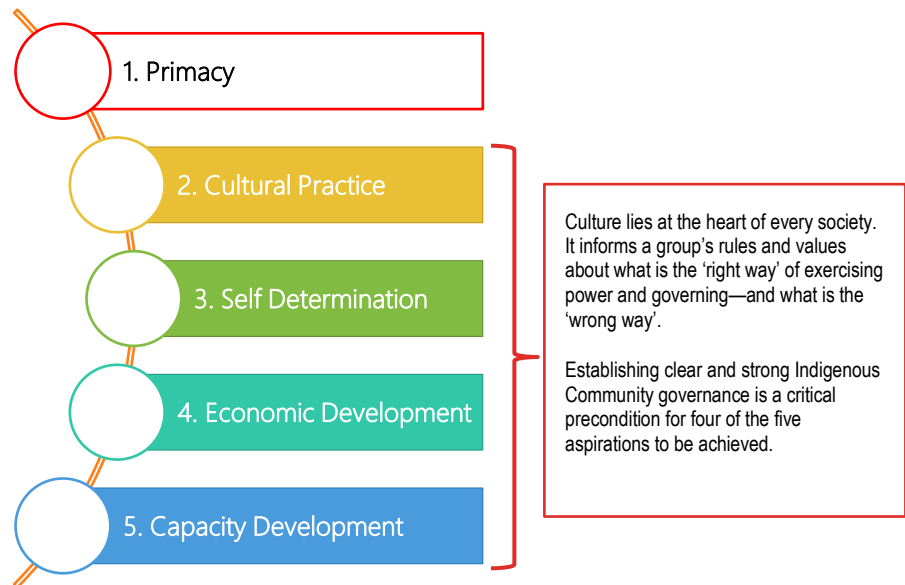
What works

- Indigenous community ownership of governance improvement lead from within and based on existing capacity
- Long term partnerships
- Collaborative development approaches
- Tailored approaches for each community
- Building trust and respect

3

What doesn't work

- Ignoring community priorities
- Making structural changes without first understanding and attending to the process by which people govern
- Fragmented or rapid change, reform overload, ad hoc funding, poor program coordination and monitoring, and red tape
- Source: *Closing the Gap Clearing House: Resource Sheet #10 2012, Australian Government*



For Australian Indigenous Communities, effective governance relies on seven Principles - Networks, Relationships, Governance histories, Cultural geographies, Leadership, Decision-making authority, and Mutual accountability (**Australian Indigenous Governance Institute, 2016**). Each principle can be interpreted and applied to each Indigenous community by the people in that community.

Cultural principles tell the story of each Indigenous group and their links to land and sea, and to each other. They are evident in everyday life and how people get things done, and are often set out in formal strategic plans and constitutions of organisations.

But as Indigenous communities pursue economic development and seek to acquire the capacity to determine and control their own economic outcomes, they need to integrate and balance cultural governance with corporate governance.

2. CORPORATE GOVERNANCE

Corporate governance encompasses the rules, relationships, policies, systems and processes whereby authority within organisations and enterprises is exercised and maintained. Corporate governance is a driver of the performance of a company or enterprise.

The term 'corporate governance' is broad and has many components, including board and corporate culture, managing conflict, shareholder agreement, director oversight of finance and audits, risk management, nominations and remuneration, communications, and asset use and capital allocation.

A good and effective corporate governance framework will best meet corporate or commercial enterprise needs, and drive better organisational performance while aiding conformance with the entity's constitution, policies, controls and procedures as well as with applicable external regulations and laws.

This framework will have regard to, and enable reflection on, the contribution of individual directors, board performance, governance applied throughout the organisation, and strength of the relationships the organisation fosters with its stakeholders.

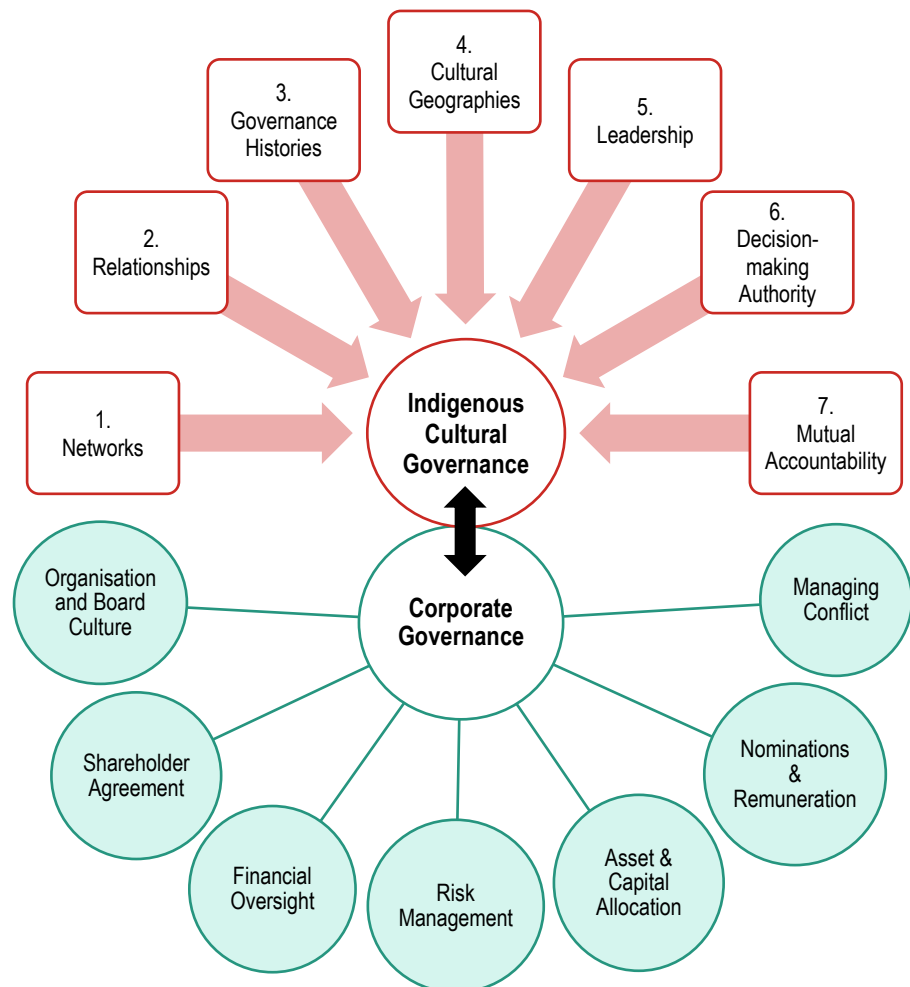
3. TWO-WAY - BALANCING CULTURAL AND CORPORATE GOVERNANCE

For Indigenous communities and businesses, achieving the right balance between Cultural Governance principles and Corporate Governance principles² is critical.

Cultural change evolves relatively slowly in all societies, when compared with the rate of change in corporate governance. The latter often arises from court decisions that update national corporation's laws and quickly become the law.

It is often hard to balance Indigenous cultural expectations, with the requirements set out by governments regulators or funding bodies. Finding that balance and meeting Indigenous and non-Indigenous requirements means building governance that works well "two-ways", as per the following diagram.

Figure 7. Interface between Cultural and Corporate Governance



² A more complete discussion of these principles can be found at the AIGI website – www.toolkit.aigi.com.au/toolkit/2-1-Indigenous-governance-and-culture.

Cultural governance principles and corporate governance issues must be aligned to complement each other, resulting in optimum approaches to governance for an Indigenous organisation or enterprise. Alignment is not “set and forget” – Indigenous leaders and community board members must frequently review and adjust their two - way governance balance to ensure best community outcomes.

Indigenous influence on decision making is critical to driving long term economic development. Australian Governments recognise the need to get behind existing initiatives to improve their efficacy at driving development beyond the immediate term. For example, support has been earmarked for the Empowered Communities Project where the Commonwealth Government, jurisdictions and Indigenous leaders collaboratively design new and flexible Indigenous governance models for regions (Australian Government, 2015).

4. PRACTITIONER’S INSIGHTS DRIVE GOVERNANCE MODELS

On-country where Indigenous communities live and operate, governance evolves in response to local community aspirations, lore, needs, motivations and capabilities. While the number and capacity of Indigenous and non-Indigenous practitioners supporting communities increases every year, the evolution of efficient governance models in most communities is a slow work-in-progress.

As at June 2015 there were 2,688 Indigenous Corporations registered with ORIC (Office of the Registrar of Indigenous Corporations) across Australia. Based on the three previous years, around 170 new corporations are registered each year. ORIC Registration enables and confirms the presence of a minimum level of community engagement and cultural governance. Registration also mandates compliance with a governance Rule Book, encompassing community governance, financial integrity and procedural matters.

Most corporations are guided by experienced regional and national Indigenous leaders who are also members of their respective Indigenous communities. Many corporations are also assisted, formally and informally, by experienced non-Indigenous company directors, mentors and experts.

A small selection of contemporary insights from Indigenous leaders is presented in the panel on the next page, to demonstrate the pathway that Indigenous community governance is tracking (based on a review of the literature) and how development and governance models are evolving. Appendix 4 presents a more complete record of comments (AICD Governance Q & A with Kate George, 2014 August)

D. INDIGENOUS GOVERNANCE MODELS

A primary objective of this FRDC IRG project is to evaluate models (both for enterprises and management), to conduct gap analyses related to policy and regulation, and to synthesize and document preferred development pathways (national and/or regional) to enhance Indigenous access to, participation in, and benefits from fishery development.

A review of gaps and challenges in Indigenous governance was completed by AIATSIS and AIGI (Bauman, et al., 2015), providing a preliminary list of research initiatives and resources. The list also included some international Indigenous

"If you want to improve the standard of Indigenous governance in Australia, you have to first improve the management standard of Aboriginal corporations. Too many Indigenous boards are being asked to govern organisations that are rife with problems and inefficiencies."

Kate George, Indigenous Barrister and Indigenous Board Member 2014

governance links. Clearly there is a large body of work and effort underway regarding Indigenous governance.

The cultural-corporate governance principles discussed above, together with the selected insights, are fundamental building blocks for the governance models that Indigenous fishery communities will variously apply to best achieve their fishery development aspirations.

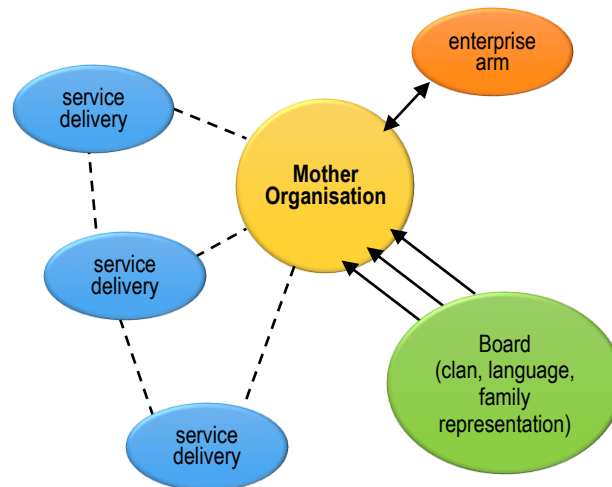
There are four broad Indigenous governance models (Australian Indigenous Governance Institute, 2016). Three are based on a stronger Indigenous cultural governance, and the fourth is a Combination Model (in two models – public and private), each based on the balance between Cultural Governance and Corporate Governance.

But it is clear from a recent landmark community development (Noongar Community) in Western Australia that new innovative governance models are better capturing the drivers of economic development for Indigenous people.

1. THE FAMILY MODEL

The governance of some Indigenous communities and regional organisations is structured like a big family, with service and business arms growing out of a 'mother' or central managing organisation. Membership of the board is based on kin relationships and extended family ties.

Figure 8. Indigenous Family Governance Model



This initial model is chosen by most communities, rural and urban, as the default option – there is limited change required at community level, subject to the internal governance arrangement between clans in the "mother organisation".

The model suits many Indigenous communities as it is easy to establish and embeds the cultural governance status quo. But development of any viable commercial enterprises is constrained by limited corporate governance, lack of new business skills and limited collaboration with external Indigenous and non-Indigenous experts.

2. HUB AND SPOKES MODEL

The governance of some Indigenous communities is set up like a 'hub and spokes', with people living in outlying smaller communities linked to a central hub.

PRACTITIONERS INSIGHTS

Increased investment must directly address improvements in human and social capital that include but go beyond the basics of health and education, to encourage innovation in livelihoods based on ownership of land and use and management of their resources. Local people must be directly involved in generating wealth to reduce individual dependence on income support. (NAILSMA, 2013 NKS 018/2013)

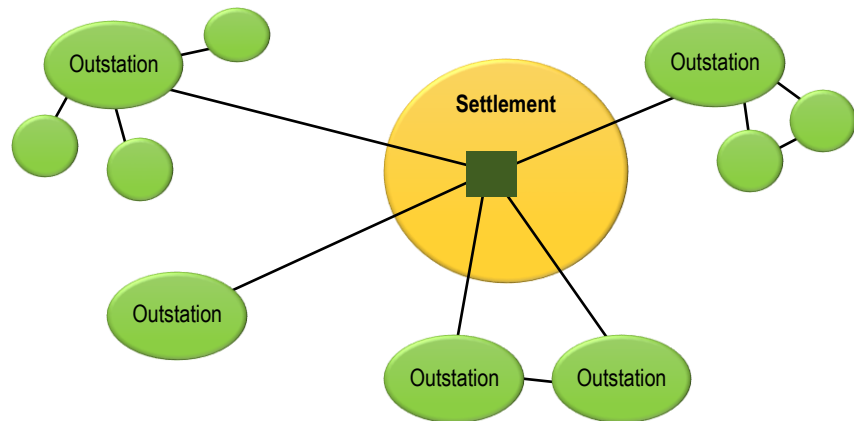
I favour a hybrid model of Indigenous governance, where boards take the best from the "orange" paradigm of mainstream governance, compliance and rules, and combine it with the "black" paradigm of Aboriginal culture. I wish more Indigenous boards had a mentor they could draw on for governance advice. The Board for example, could form a sub-committee on strategic planning, and ask its mentor, who might be a non-Aboriginal director on the board of a top public or private company, for advice." (George, 2014)

A good governance model will allow individual 'autonomy' whilst providing alliances for a common and stronger voice with government policy and decision makers. (Carne, 2013)

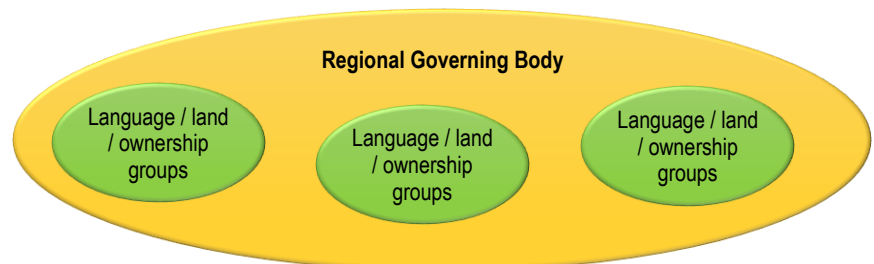
This hub is made up of representatives from different culture groups and is responsible for overall leadership and delivering services to the outlying communities.

This model is a logical choice for communities with widespread sub-clans and multiple locations. It enables local specialisation, but without good communications, strong central governance and clear joint planning and management, it is not a good basis for a business model.

Figure 9. Indigenous Community Hub and Spoke Governance Model



Or the hub and spokes are directly represented within the governing body with an equal number of representatives for each interest group.



3. EQUAL REPRESENTATION MODEL

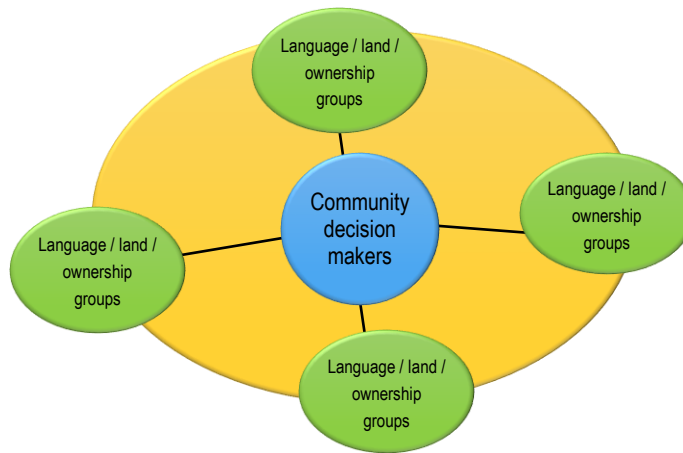
The governance of some Indigenous communities is based on equal representation of independent land-ownership, language, clan or family groups, using traditional decision-making processes and criteria for leadership.

This “representation” model is a sound basis for cultural governance in a community, but by definition, it is not a good model to operate a business. Success in business is not just about “representation” of equitable interests for today - it is about strategy and management to commercial objectives that create shared wealth into the future.

Modern corporate governance measures (e.g. at the Australian Institute of Company Directors (AICD, 2013)) make a clear distinction between the representation of owners (i.e. shareholders) and the experts who create wealth for the shareholders (i.e. the executive management team guided by an expert

corporate board). This model does not integrate any corporate governance elements.

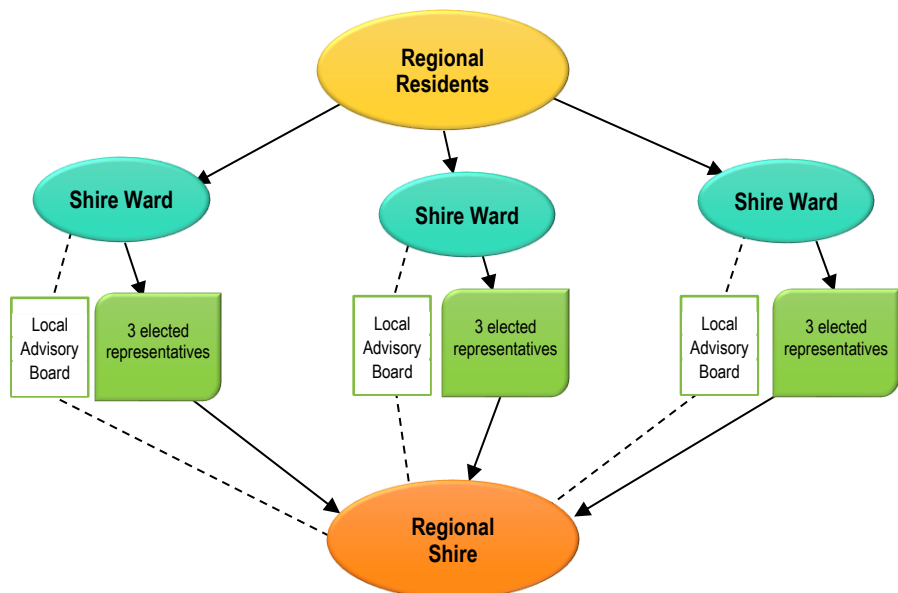
Figure 10. Indigenous Community Representation Model



4. COMBINATION MODEL – LOCAL GOVERNMENT

Local Government Shire structures are often the most established governance body in remote regional Australia. So, it is to be expected that in some shires where Indigenous Australians are the largest constituency, Indigenous governance models would merge cultural governance with existing local shire governance. This model uses a combination of culturally based Indigenous advisors and western governance democratically elected structures.

Figure 11. Indigenous Community Combination Model - Local Government



But while this model is less relevant to this fisheries project, it introduces the important concept of cultural governance advisory roles, in parallel with elected representation.

5. COMBINATION MODEL – ECONOMIC DEVELOPMENT AND INVESTMENT

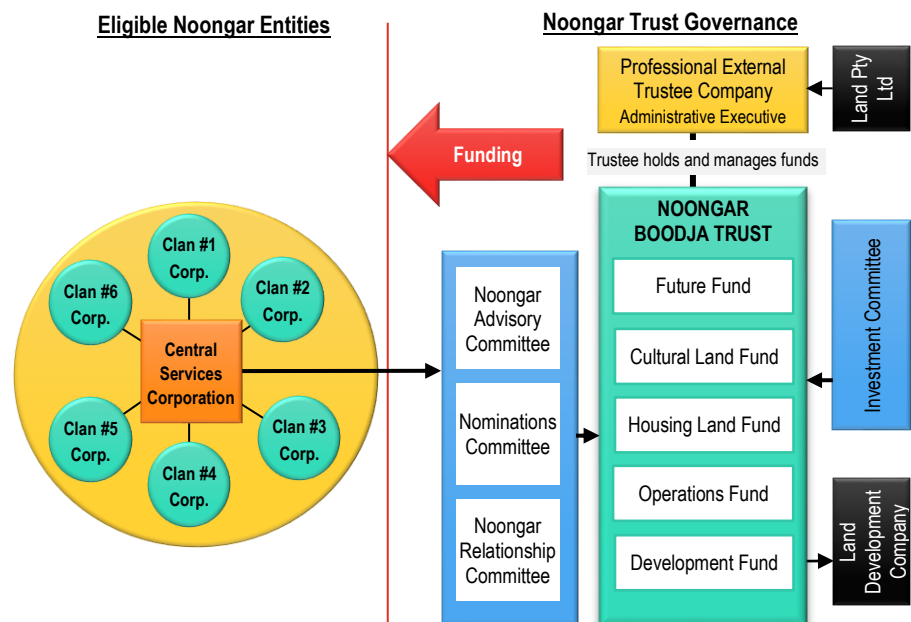
In 2015 the WA Government reached a Native Title Settlement with around 30,000 Noongar people, covering approximately 200,000 square kilometres in the state,

from Geraldton to Esperance. The agreement and related governance structure provides an opportunity for the WA Government to work in partnership with the Noongar Community to improve their economic, social and cultural development.

Over the next 12 years the state will contribute \$70 million per year (indexed to inflation) to support the six Indigenous clans in-country and fund cultural development, land management and Investment trusts. While this scale is large, and more sophisticated than that required by most Indigenous fishery communities, this model demonstrates an innovative and balanced (cultural verses corporate) economic development approach now emerging in Indigenous economic development.

The affairs of cultural governance (on the left of the red line) are separate and distinct from the corporate business development governance matters on the right.

Figure 12. WA Noongar Indigenous Community and Trust Model



The specific attributes of this model are detailed in an 88-page governance manual (**Jackson McDonald Lawyers, 2015 Dec**) and are selectively summarised for this report as follows:

- The six Noongar Boodja Indigenous clans have closed their pre-existing PBCs (Prescribed Bodies Corporate and Native Title claims) in return for the creation of this new structure and 12-year funding agreement,
- Cultural and corporate governance are clearly defined, separated and balanced,
- All clans are directly and equally involved and represented in service management and delivery, and in informing corporate governance and related investment decisions,
- Each clan can individually or collectively progress and develop its share of joint assets at its own pace, without loss or penalty,

Model Criteria highlighted by the Noongar and other Business Models:

- Cultural and corporate governance are clearly defined, separated and balanced,
- All clans are directly and equally represented in governance and decisions
- Each clan can individually or collectively develop its share of joint assets via a micro business
- A person can-not hold, simultaneously, a lead position in cultural advisory activity, while holding any corporate governance role
- Cultural and corporate governance roles need to be refreshed periodically with new people
- Use separate corporate entities to focus leadership, manage risk, define goals, monitor progress and enable transfer of assets and control
- Ensure communities continuously engage in strategic thinking, to drive Business Plans
- Promote Indigenous engagement in every activity, especially commercial enterprise
- Invest in people to build leadership, skills and community capacity to manage businesses
- Collaborate with external parties to boost skills, experience or knowledge. Build partnerships and networks to develop baseline fishery data, do R&D and monitor Aquatic Resources

- No single person can simultaneously hold a position in any cultural advisory activities (left side), while holding any corporate governance role (right side),
- The structure described will exist until a transition period (estimated at more than 5 years) is completed and specific governance, accountability and transparency criteria are met,
- A professional external Trustee Company will administer the Trust and manage all funds initially, and until the transition period is completed. All clans will determine the future trustee arrangements thereafter,
- All land is held in one wholly-owned company, which can be transferred to a new Indigenous trustee in the long term,
- The structure promotes Indigenous participation in all activities, and related engagement in the broader economy and commercial enterprise,
- The structure encourages Eligible Noongar Entities to engage their communities in strategic thinking and planning, and passing this advice to the investors and managers of their assets,
- The structure is flexible and contemporary, enabling the Indigenous communities to monitor progress and ultimately take full control over their assets and their development in the future.

The choice of business model that is best for an Indigenous fishery community must be one that will deliver and achieve its business aspirations and objectives, over the near and long term. The best model will balance the need for cultural governance in the community, and corporate governance that will create economic wealth for the community. The Combination Model – Economic Development and Investment offers the best long-term choice for most communities.

E. STATUS OF LEGISLATION ACROSS JURISDICTIONS

The following figure presents the status and future opportunity for jurisdictional progress to achieve outcomes promulgated in the National Native Title 2004 Communique on Indigenous Fishing. The details have been developed by NT Fisheries and IRG Members.

In summary across jurisdictions, the diagram highlights the gaps in capacity building, the lack of specific Indigenous license allocations, and the lack of Indigenous engagement in Fishery Management.

Nominal scores have been assigned by the PI as part of a broad assessment of jurisdictional progress in support of Indigenous fishery policy. These assessments suggest the NT and SA Governments and AFMA are most progressive in their policy settings.

Figure 13. Summary of Jurisdictional Legislation Impacting Indigenous Fisheries

The table presents the status and opportunity for jurisdictional progress to achieve outcomes promulgated in the National Native Title 2004 Communique on Indigenous Fishing.

Key: Good Progress No Progress

	1. Legislative Recognition	2. Policies or Strategies	3. Practices & Initiatives	4. Customary Take or Allocation	5. Management Engagement	6. Capacity Building Employment / Training	7. Licence Allocation	Scores
NT	<ul style="list-style-type: none"> • YES, customary harvest is exempt from Fisheries Act 	<ul style="list-style-type: none"> • Dept. Strategic Plan and Divisional Strategic Plan 2018-22 • Indigenous. Fishery Development Unit • 22% Indigenous employment 	<ul style="list-style-type: none"> • Fisheries R&D Indigenous engagement policy • Aboriginal Fishing Mentor Program • Aboriginal Aquaculture Research Projects • Marine Ranger Support Program • Aboriginal Marine Training Program 	<ul style="list-style-type: none"> • Catch shares allocated to customary sector (Spanish Mackerel) • Recognised as a sector in other fisheries 	<ul style="list-style-type: none"> • Indigenous Sea Rangers have compliance powers • Marine Ranger Program • Indigenous representatives in Fisheries Management Committees 	<ul style="list-style-type: none"> • Indigenous Maritime Training Program • Apprenticeships • Cadetships • Aquaculture research programs on low technology species in remote communities 	<ul style="list-style-type: none"> • Aboriginal Coastal Licence 	7
AFMA	<ul style="list-style-type: none"> • YES, Torres Strait Fisheries Act 	<ul style="list-style-type: none"> • Commercial and cultural objectives prescribed in PZJA and TSRA 	<ul style="list-style-type: none"> • Torres Strait Treaty 1985 	<ul style="list-style-type: none"> • Right to take fish for commerce or trade • Indigenous sector recognised 	<ul style="list-style-type: none"> • Sea Ranger program assistance • Protection Zone Joint Authority 	<ul style="list-style-type: none"> • Commercial objectives prescribed by TSRA 	<ul style="list-style-type: none"> • 100% of finfish licences held by Torres Strait Indigenous people 	7
SA	<ul style="list-style-type: none"> • YES, Fisheries Management Act 2007 (FMA). • Native title rights as authorised by the Native Title Act 1993 are not affected by the FMA 	<ul style="list-style-type: none"> • Aboriginal traditional fishing management plans. • Traditional Fisheries Manager employed • Aquaculture zone Amendment 2017 – Pt Pearce Indigenous zone • Treaty negotiations 	<ul style="list-style-type: none"> • ILUAs • Aboriginal Fisheries Officer Career Pathway Program • Ministerial exemptions for regulated devices employed for Traditional fishing. 	<ul style="list-style-type: none"> • Aboriginal Traditional Fishing recognised as a sector in the FMA Allocation Policy. 	<ul style="list-style-type: none"> • Under the FMA the Minister and a Native Title group may make a Traditional Fishing Management Plan under an ILUA. 	<ul style="list-style-type: none"> • Aboriginal Fisheries Officer Career Pathway Program • PIRSA tertiary scholarships • Traineeships 	<ul style="list-style-type: none"> • Treaty process may provide funding to access the commercial / aquaculture sectors. 	7
NSW	<ul style="list-style-type: none"> • YES, but limited to non-commercial use of catch • S37 authorisation for Aboriginal cultural harvest (non-commercial) • Exemption from Recreational Fishing fee 	<ul style="list-style-type: none"> • Indigenous Fisheries Strategy and Implementation Plan 2002 • Aboriginal Engagement and Cultural Use of Fisheries Resources in NSW Marine Parks 2015 • Inclusion in NSW Fisheries Resource Sharing Policy 2015 • Inclusion in Fisheries NSW Strategic Research Plan 2014-2018 	<ul style="list-style-type: none"> • Aboriginal Fishing Trust Fund - grants/loans for Aboriginal cultural fishing and for development of Aboriginal fisheries related businesses • Aboriginal Fishing and Cultural workshops for Aboriginal children 	<ul style="list-style-type: none"> • Indigenous fisheries recognised as a sector • Aboriginal Cultural Fishing Interim Access Arrangement 	<ul style="list-style-type: none"> • Aboriginal Fishing Advisory Council (AFAC) • Membership on Ministerial Fishing Advisory Committee and Commercial Fishing Advisory Council • Local Aboriginal Fisheries Management Plan Development 	<ul style="list-style-type: none"> • Workshop for incoming AFAC members • Cross cultural workshops for Fisheries staff • Local Fishing Mgt Strategies • Aboriginal Fishing Trust • Cultural Training for DPI officers • Recognition in Cultural Fishing - no longer part of Recreational Sector 		6
WA	<ul style="list-style-type: none"> • YES 	<ul style="list-style-type: none"> • Customary Fishing Policy 2009 		<ul style="list-style-type: none"> • Catch share for customary sector (Lobster, Abalone) 	<ul style="list-style-type: none"> • Joint Management and Native Title Agreements 			4
VIC	<ul style="list-style-type: none"> • NO, Traditional Owner recognition permit only 	<ul style="list-style-type: none"> • Aboriginal Fishing Strategy • Victorian Fisheries' aim is to employ 5% Indigenous staff 			<ul style="list-style-type: none"> • Developing engagement practices in Fisheries Management 			3
QLD	<ul style="list-style-type: none"> • YES, legislative defence provision for customary take 	<ul style="list-style-type: none"> • Indigenous Fishery Strategy 2002 • 2018 strategy in process 	<ul style="list-style-type: none"> • Indigenous Fishing Permit 		<ul style="list-style-type: none"> • Indigenous fisheries recognised as a sector 		<ul style="list-style-type: none"> • No licence or catch allocation 	4
TAS	<ul style="list-style-type: none"> • YES, limited to recreational limits 	<ul style="list-style-type: none"> • Permits for customary or communal fishing 						2
Scores	8	8	5	5	7	4	3	

Source: Australian jurisdictions, the Indigenous Reference Group and Industry consultation

F. ENGAGEMENT IN BUSINESS ACTIVITY

Since 2010, Governments, Indigenous NGOs, Regional Development Authorities and others have released several substantial policy and discussion papers³ that directly impact on Indigenous Fishery communities.

All publications variously recommend changes to enhance Indigenous employment and business outcomes. The common thread is that Indigenous disadvantage can be fixed through stable attractive employment, which itself must be built on education. Entrepreneurism, taxation policy and mentoring are three important drivers identified across the literature.

1. NORTHERN AUSTRALIA

The largest Indigenous Australian population lives in Western Sydney. Yet in the Northern Territory, Indigenous Australians account for 30% of the overall population, with this share estimated to grow to 50% by 2030 (KPMG, 2016). Many Indigenous Australians therefore live in northern remote and regional areas where depressed labour markets leave a significant number of people dependent on welfare and receiving no superannuation at all.

Northern Australia Region includes all of the Northern Territory and those parts of Western Australia and Queensland above the Tropic of Capricorn. The Northern Australian Development White Paper (Australian Government, 2015) focusses on the development of this region comprising 40% of Australia's land mass but only 5% of its population. Fifty-two percent of Australia's Indigenous people reside in the three northern states, compared to only 32% for all Australians.

The Northern Australia development strategy includes, inter alia, investment in Indigenous people and skills, investment in wild catch and farmed fishery resources and performance, and investment in infrastructure and market supply chains that enable these resources.

A 2016 Senate Committee Report (Joint Select Committee on Northern Australia, 2016) noted that Indigenous Communities had expressed a strong interest in participating in aquaculture development (both commercial and traditional) in northern Australia. The proximity to rapidly expanding demands from Asian consumers for high quality seafood and exotic tourism experiences, combined with a long and pristine marine coastline and suitable land, makes seafood development in northern Australia very attractive. The Committee noted a number of native species offering potential development opportunity, including Algae, Barramundi, Cherabin prawns, Redclaw Freshwater Crayfish, clams, oysters, sea shells and sponges, Cobia, Grouper, Crocodiles, Pearl Oysters, prawns and Sea cucumber (Marine species from the class *Holothuroidea* are cited in this

³ A selection of these publications includes:

Indigenous Economic Development Strategy 2011-2018 (Australian Government, 2011);

NAILSMA - Indigenous futures and sustainable development in north Australia, 2013 (NAILSMA, 2013 NKS 018/2013);

The Forrest Review – Creating Parity, Australian Government 2014 (Forrest, Andrew, 2014);

Kimberley Development Comm. 2036 and Beyond: A Regional Investment Blueprint for the Kimberley (KDC, 2015) Northern Australian White Paper 2015, (Australian Government, 2015),

report as Beche-de-mer. Other names commonly used across industry include Sea cucumber, trepang, sandfish or balate).

But the Committee's report identified several broader northern development challenges yet to be resolved, including inability to attract development capital, red tape and apparent lack of investment incentives from governments, lack of local skills and programs to develop human capacity, lack of local fishery laboratories and research capacity (e.g. genetics; nutrition; pests and diseases); difficulty balancing resource access and aquaculture development zones; environmental impact management; poor access to baseline and spatial data; lack of infrastructure including road, rail and ports; and lack of fishery and aquaculture development capacity in nurseries, hatcheries and processing plants.

2. EMPLOYMENT

Economic and labour market conditions differ significantly across Northern Australia (where most Indigenous people live), both at regional and sub regional levels. Unemployment in Alice Springs, Darwin and Katherine is regularly under four percent, whereas other northern areas face unemployment rates of around 40%. As with much of Australia, youth unemployment is significantly higher.

The North Australian Indigenous Land and Sea Management Alliance (**NAILSMA, 2013 NKS 018/2013**) notes that outside major centres, labour force participation can be extraordinarily low (e.g. 17% in 2006 at Wadeye in the NT). Where participation rates are higher (e.g. 76% in Hope Vale in Cape York) most employment is in the public sector (94%). Private sector presence is negligible. And in northern Australia the under/unemployed Indigenous population is likely to grow for some time, as populations grow faster than new jobs are created. In October 2016, national advisory firm KPMG noted that the national Indigenous employment rate was 46%, but only 36% in remote areas (**KPMG, 2016 p. 3**).

The lower life expectancy of an Indigenous person is one of the difficult issues to reconcile with their working life. The average life expectancy of an Indigenous Australian is 67.5 years, (lower for people in regional and remote areas) about 17 years lower than that of the overall population. However, access to superannuation benefits is generally restricted to beneficiaries who have reached the preservation age of 60. KPMG recommend that a more flexible and equitable superannuation regime be developed to support Indigenous people after their working lives are complete.

A growing number of government support programs aim to engage more Indigenous people into paid work, or to be job-ready. The latest national strategy (**Australian Government, 2015**) aims to assist all communities (including remote and Indigenous) to reduce barriers to work and for businesses to employ more people.

3. INDIGENOUS PRIVATE BUSINESSES

Economic development and independence through the creation and growth of small businesses offer important pathways for Indigenous people to overcome impoverished socio-economic circumstances and reduce welfare dependence.

There is now effective consensus that the long term economic empowerment of Indigenous Australians cannot be built on welfare provisions and must be built through employment and entrepreneurial activity.

(KPMG, 2016 p. 18)

INDIGENOUS ENTREPRENEURS

In 2011 Curtin University reported on the Indigenous contribution to Australian Entrepreneurism (**Rola-Rubzen, 2011**). A total of 460 MSME businesses (micro, small and medium enterprises) responded from agriculture, forestry and fishery, arts and recreation (including tourism), and cafes and restaurants, across all states and territories. Of these, about 12% were Indigenous-owned businesses.

MSME businesses reported a preference for business support across six areas:

1. Lower levels of business tax (61% non-Indigenous; 60% Indigenous),
2. Access to low interest loans (54% non-Indigenous; 55% Indigenous),
3. Sponsored training and education (48% non-Indigenous; 40% Indigenous),
4. Seed funding or grants (41% non-Indigenous; 38% Indigenous),
5. Less red tape (45% non-Indigenous; 33% Indigenous),
6. Assistance to reach new markets (24% non-Indigenous; 22% Indigenous).

Indigenous entrepreneurs said they feel their businesses are not 'on track' because they:

- Cannot access adequate funding to develop the business,
- Lack credible advice on business development,
- Lack confidence and knowledge in various aspects of managing and operating their business.

A further review of Indigenous Entrepreneurs in 2011 (**A review of male and female Australian Indigenous entrepreneurs, 2011 Vol. 26, No. 4**) concluded that "push" factors predominate as motivators for setting up Indigenous business ventures. These factors were strongly linked to the desire to improve severe disadvantage through very poor economic situations, negative racial stereotyping, discrimination and prejudice, and addressing the needs of their community.

The study found potential barriers to business development included lack of formal education, prior work experiences, language barriers, culture conflicts and problems attaining sufficient finance. In addition, female Indigenous entrepreneurs faced both gender and racial discrimination.

A 2014 report (**Morrison, et al., 2014**) looked at factors that influencing private business creation and survival in Indigenous communities. The study found that:

- Urban community businesses were more sophisticated, grew faster and were larger than regional and remote businesses,
- Indigenous businesses had much higher rates of adoption of internet and social media than other (non-Indigenous) small businesses in Australia
- Community and cooperatively-owned businesses on average have better practices than privately-owned businesses,
- Use of business mentors and completion of business degrees or diplomas and engagement in either Indigenous or non-Indigenous business networks is lowest in remote areas, and highest in urban areas,
- The contribution of business networks and mentoring is important to business performance, but not well understood or employed,
- Many Indigenous businesses do not consider some critical practices and forms of support (e.g. promotions, involvement in networks, mentoring) to be important,

- The importance of higher level business training in tertiary degrees or diplomas were strong indicators of business success, but there are questions about the value of lesser business training (e.g. business certificates),
- Indigenous entrepreneurs put a high value on serving community needs,
- Remote enterprises create more growth in employment and establish more new premises, but urban businesses report higher growth rates in sales and profits,
- Selling Indigenous products was found to either have no or a negative effect on business performance.

The recent KPMG Report (KPMG, 2016 p. 13) expressed a concern that Australia's Indigenous people are not well placed to play an active role in the new global "industrial revolution" that is emerging, driven by advancing technology that will blur physical, virtual and biological realms. The Indigenous disadvantages – educational, socioeconomic, and geographic - need to overcome by education and economic development. The report recommended:

1. Investment in Indigenous education and training specifically targeting these new emerging technologies,
2. Creating programs to expose Indigenous entrepreneurs to incubators and accelerator environments,
3. Create platforms that will expose Indigenous entrepreneurs to venture capital, angel investors, and other forms of funding.

We should allow the tax system to provide the incentive for business to go the extra mile to train and employ the least capable in our society. These tax incentives will need to be substantial and be awarded to those companies that meet strict ownership and employment criteria. It will be essential to involve first Australian businesses, as they are about 100 times more likely to employ first Australians than any other business. (Forrest, A, 2014)

TAX REFORM TO HELP INDIGENOUS BUSINESS

In 2009 the ATO (Australian Tax Office) reported (Australian Tax Office, 2009) that little is known about Indigenous-owned and managed businesses in Australia.

The ATO report found that nationally about 6% (6,800) of employed Indigenous people run their own businesses, about 1/3rd the non-Indigenous rate. Only 11% of self-employed Indigenous people were outside major cities and it is likely that fewer still would be operating in remote locations. The report noted:

- 3 critical factors necessary to strategy a business – education, financial literacy and access to finance,
- 3 disablers confronting Indigenous people seeking to set up a business – business relationship constraints, lack of business networks, and culture of obligatory sharing,
- 3 enablers that can support Indigenous business start-ups – business mentors, a close and practical role for women, and supportive parents.

A review of the literature suggests further clarity has been provided on these issues since then.

Two recent reviews (Forrest Review 2014; KPMG 2016) have recommended tax reform as an efficient and effective means to improve Indigenous business performance. These recommendations include:

- Federal Government creating an Indigenous Community Development Corporation (ICDC) so that all Indigenous communities can hold assets make investments and receive royalty income where appropriate,

- Legislating for a new type of Indigenous entity (Indigenous Business Enterprise) which would pay a small rate of tax if profitable, dependent on the level of Indigenous ownership and employment,
- A 10-year tax holiday for large scale projects in northern Australia where certain criteria on Indigenous employment are met,
- Establish Indigenous Equity Funds which would attract government matching on a dollar-for-dollar basis.

4. MENTORING TO BUILD COMMUNITY CAPACITY

Mentoring is an expanding practice across Indigenous fishery communities, and across Australia more broadly. The FRDC has long invested in leadership programs that support and promote mentoring across all fishery sectors, including Indigenous mentoring (**Briggs, 2012 Feb**).

Mentoring is a relationship intervention strategy that can assist (mostly for young people) in building a strong connection to culture and protective factors such as high self-esteem, a strong sense of autonomy, and life in cohesive, functioning families and communities. These strategies can boost community capacity by assisting a young Indigenous person resolve their attitude to violence, alcohol and other substance abuse, poverty, poor health and poor-quality housing, dispossession, discontinuity of culture and intergenerational trauma.

From the *Closing the Gap* clearing house (**Closing the Gap, 2013 Sept**) we know what works to build Indigenous capacity, as follows:

- Start mentoring before Indigenous young people exhibit antisocial or criminal behaviour,
- Obtain the input of the local Indigenous community in the design and delivery of mentoring and related programs,
- Involve Elders where possible in transmitting cultural knowledge to young people through a mentoring relationship,
- Have strong partnerships between the organisation running the mentoring program and other youth counselling, health and employment services in the local area,
- Establish long-term mentoring relationships of at least 12–18 months duration, based on common interests, mutual respect, genuine friendship, fun and a non-judgemental approach,
- Undertaken mentoring that continues to support the young person as they consolidate positive changes,
- Enable consistent, regular contact between mentor and mentee., In the initial stages, this may need to be quite intensive (up to 10–20 hours per week), depending on the young person's needs.
- Involve Indigenous parents in the mentoring relationship, which can improve parent-child relationships,
- Engage mentors who have 'been there, done that'. Mentors who have experienced similar challenges to those facing the mentee and proven their success in overcoming negative life circumstances are the most influential in achieving positive behavioural change.

There is universal support for targeted long-run Indigenous mentoring support across the literature.

5. PROCUREMENT SERVICES

Favourable Indigenous business procurement policies are also considered to be beneficial to all Australians. This approach will build employer demand for products and services that Indigenous business can supply and therefore increase their engagement in the corporate sector, and business economy. The policy will build employment of Indigenous employees in the private sector.

Citing similar policies to support Indigenous MSME's in the USA and Canada, the Forrest Review (**Forrest, Andrew, 2014**) also recommends Governments must lead the way on first Australian employment and procurement.

As the business sector with the largest investment and employment base across remote and northern Australia, the mining, oil and gas industry has much to offer toward achieving Indigenous business aspirations. A 2010 study (**Centre for Social Responsibility in Mining, 2010**) by the mining industry established a step-by-step good practice guide to enhancing the opportunities for locally based businesses to participate in resource projects. Several leading companies (BHP, Rio, Santos, Newmont, Bechtel) have now adopted policies and standards explicitly aimed at increasing local procurement. In addition, an increasing number of agreements with Indigenous groups include commitments to support the development of Indigenous-owned enterprises.

The Australian Government agency, Indigenous Business Australia, has also moved to promote greater Indigenous engagement in businesses servicing the large investors and employers proximate to Indigenous communities. The IBA released a toolkit (**Indigenous Business Australia, 2014**) for Indigenous businesses seeking to prequalify to provide services to these sectors.

G. UNLOCKING FISHERY ASSET CAPACITY

1. THE INDIGENOUS ESTATE

Recent estimates (**KPMG, 2016 p. 21**) indicate that Indigenous people now own or have rights to 40% of the Australian land mass under various forms of title and legislation. The assets comprising the Indigenous Estate include:

1. Tangible assets: the land and waters of the estate, and the resources located on or within it, and
2. Intangible assets– cultural and intellectual property rights, as they exist in forms of expression (arts, dance, music, language); traditional cultural, environmental and bioscience practices, and other forms of traditional knowledge.

Australian courts have determined over the last 24 years that Native Title exists on 31% of Australian territory. As at 30 June 2016, 64% (1.53 million square kilometres) of that area involves non-exclusive rights, the balance being exclusive Indigenous rights. The map confirms the location of these claims and determinations in land and sea country. Note that large areas of the map (e.g. East Arnhem Land, Tiwi Islands and the south west of the NT) are Aboriginal freehold land held by Aboriginal Land Trusts.

"There is a gap - something is missing in leveraging Native Title and Indigenous estates into tangible community benefits - welfare and charity have not and are not achieving all that was promised, and so now we must adjust our customary governance to align with the expectations and regulations of non-Indigenous laws and institutions."

(A New Conversation Regarding Indigenous Land and Economic Development, 2015)

The 2016 National Native Title Conference (**Session: Native Title and private interests, 2016**) included discussion of issues that are limiting the economic leverage of the Indigenous Estate, specifically the failure to attract secure investment and facilitate economic participation. The Indigenous Land Council (ILC) assists Indigenous Australians to acquire land and manage Indigenous-owned land. The ILC believes the Indigenous Estate has untapped potential that could be unlocked through more active, collaborative management. The ILC wants to assist in consolidating and building on the potential of the Indigenous Estate, so it is recognised as a complex that is well run, open for business and a natural partner for investors, and as a source of value for our people and the nation.

2. ASSET LEASING

Indigenous assets also offer value to third parties, and therefore leasing out their assets is a possible pathway for Indigenous communities to finance community development projects or local businesses. The approach involves the use of asset leasing solutions developed by Indigenous Business Australia which supports Indigenous groups to sustainably manage their business or community development assets. Further information is available at <http://www.iba.gov.au/investments/products-and-services/leasing-finance-solutions/>.

IBA has been able to support a number of Indigenous organisations around Australia using asset leasing solutions to acquire a very diverse range of assets, including for civil construction assets, demountable accommodation, vehicles, machinery and equipment.

Under arrangements managed by TSRA, Torres Strait island communities lease their marine fishery assets to non-Indigenous fishers on commercial terms.

3. BUILDING COMMERCIAL CAPACITY

Building commercial capability is critical to enabling Indigenous economic development. The KPMG report notes there are few examples where commercial capability has been fostered genuinely and sustainably, with the focus instead being on less rigorous or appropriate coursework and training.

Project based engagement and action learning are fundamental to building this capacity. As KPMG note: "commercial capability cannot be developed solely in the abstract – rather, it is best developed in the context of, and when it is integrated into, real and tangible projects, for example where groups have co-invested in real ventures and have been called upon to plan for and make decisions about how their money will be invested or used, and how the underlying assets and businesses are managed."

The challenge for Australia is to make the economic policy decisions and investment decisions that can leverage these frozen Indigenous assets in a way that unlocks their considerable potential for the benefit of Indigenous people and all Australians.

In relation to the fisheries assets in the Indigenous Estate, fish, crustaceans and molluscs are and have long been of major nutritional, economic and cultural importance for Australian Indigenous people. But finding long-term investment strategies to unlock this capacity and empower Indigenous fishery communities

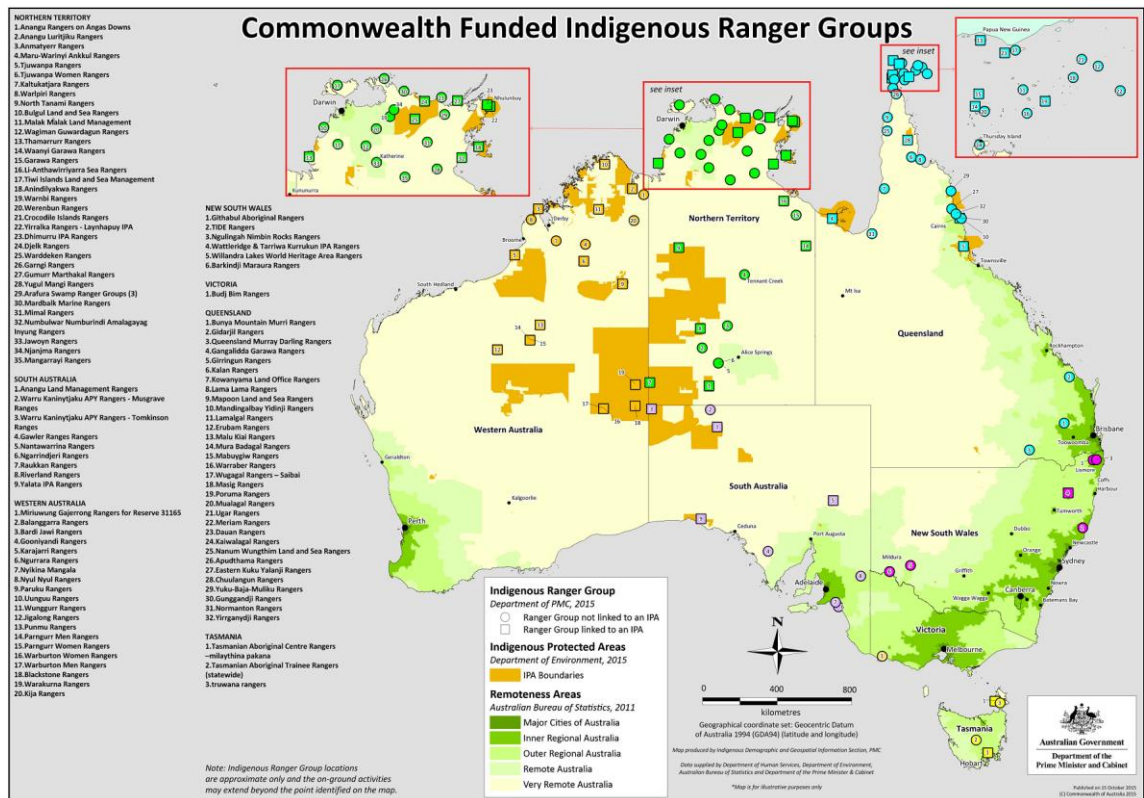
remains a core challenge, at many levels including cultural, community wellbeing, and economic.

4. INDIGENOUS RANGER PROGRAMS

Since 1975 Australian governments and the wider community have increasingly recognized the mutual benefits to Australians from continuing cultural and economic engagement between Aboriginal people and Australia's landscape, fauna and flora (AIATSIS, 2007). However successful engagement by Indigenous communities with fishery management and R&D issues has proved challenging.

The NT Government was an early investor in targeted practical ranger programs specifically for Indigenous fishery communities (NT Fisheries, 2007). For the last decade, the FRDC has invested in a number of studies across Australian fishery communities to expand our collective understanding of these issues and chart pathways toward mutual benefit. These studies have dived deeper to explore marine and coastal fisheries (e.g. the Northern Prawn Fishery (Jarrett, et al., 2011), recreational and customary fishery models (Downs, et al., 2013), and collaborative training partnerships that can leverage this engagement (e.g. Australian Rural Leadership Program (Lovell, 2010).

Figure 15. Commonwealth Funded Indigenous Ranger Programs at October 2015



These studies confirm that no single approach will meet the needs of all communities - guidelines need to be flexible around spatial, temporal and cultural engagement. But the studies also point to a range of benefits for Indigenous people and other fishery stakeholders from Indigenous Ranger programs, including:

- Improve fisheries management through greater understanding of traditional fishing practices,
- Increase the shared social values and knowledge between agencies, Indigenous communities, and the public, regarding traditional fisheries management practices,
- Increase involvement of Indigenous people in the management of fisheries and Sea Country,
- Support the continuation and practice of Indigenous culture through traditional fishing practices and increasing two-way understanding of the importance of Sea Country to Indigenous people,
- Create meaningful employment, training and career pathways for Indigenous people in land and sea management.

H. TOURISM

Many Indigenous fishery communities are based in attractive coastal settings in regional and remote Australia. These communities have the potential to offer fishing (customary and recreational) experiences to tourists, but also to proudly present experiences in their unique landscapes that are arguably based on the oldest and most intact Aboriginal cultures in the world.

Indigenous fishery community leaders are generally aware of the commercial opportunities available to them for parallel tourism ventures and unique ways to experience and understand Australia's Indigenous heritage and landscapes.

Increasing demand for high-end experiential tourism is, and will continue to be, promoted by rising middle incomes in the Asian region. A growing emphasis on the quality of tourism experiences (such as customisation, ecological sustainability, cultural engagement and remote adventuring) are central to the comparative and competitive advantage of our Indigenous landscapes.

A number of case study communities discussed later in this report are developing and investing in commercial tourism ventures based around their Indigenous land and cultural assets. At the broader regional planning level, this priority is best described by the Kimberley Development Plan where it notes (page 116):

- "Further develop and diversify the market for Aboriginal tourism product,
- Develop and expand the regional Aboriginal tourism skills base,
- Leverage the Workforce Development Plan to provide skilled employees to meet labour market requirements of industry,
- As part of the process of pastoral lease reform and diversification, investigate opportunities for the development of tourism enterprises that integrate Aboriginal Cultural and environmental or 'eco' management driven tourism,
- Link Aboriginal operators into mainstream industry governance structures,
- Broker commercial and governance links between Aboriginal traditional owners, native title holders and joint venture tourism capability partners."

1. SOURCE COUNTRIES

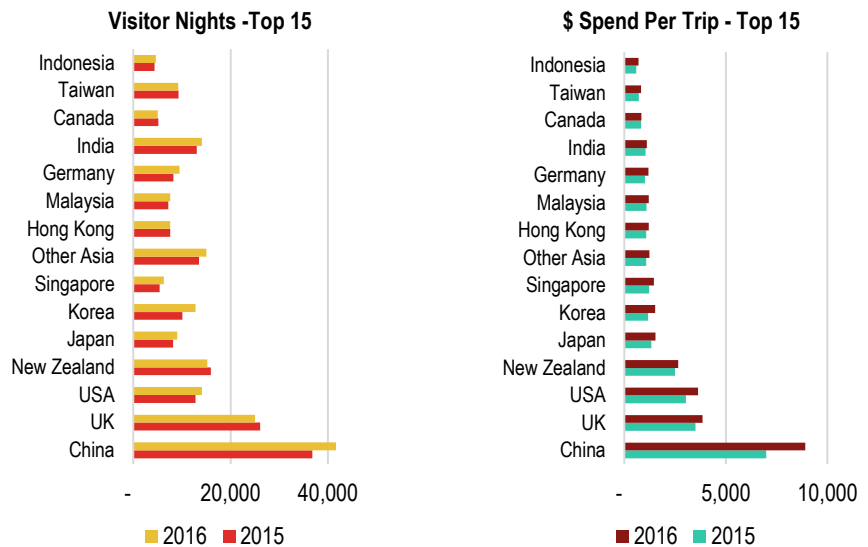
The number of inbound tourists to Australia in the year to July 2016, surged 10% to 7.25 million (**Tourism Aust., 2016**). The nights per visitor is increasing slowly,

but most growth is in the spend of each visitor – up 14% on the year to A\$38 billion.

The following graphs list the top 15 origin countries for Australia’s inbound tourists in 2015 and 2016 - Asian (and in particular, Chinese) tourists dominate, many of whom are also temporary students in Australia.

83% of international and 66% of domestic visitors to WA are seeking Aboriginal tourism experiences. But most currently fail to achieve that ambition. This clear market gap provides unmet demand to underpin Aboriginal employment targets.

Kimberley Development Commission



2. BROAD SUCCESS CRITERIA

Research undertaken in 2009 by the CRC for Sustainable Tourism (Whitford, 2009) identified a range of issues pertaining to drivers, inhibitors and opportunities for Indigenous tourism ventures.

The study developed a guide to establishing and operating a successful and sustainable Indigenous tourism business, based on 17 criteria for success:

- Success Criteria**
1. Training and knowledge
 2. Product development
 3. Funding
 4. Community connection
 5. Business strategies
 6. Government support
 7. Cultural sustainability
 8. Triple bottom line
 9. Authenticity
 10. Uniqueness
 11. Collaboration
 12. Ownership
 13. Reliability
 14. Family support
 15. Commitment
 16. Commercial experience
 17. Respect

- Recommendations**
1. Recognise governance as a significant factor and an integral component in development and operation of Indigenous tourism businesses.
 2. Increase awareness and understanding of Indigenous governance arrangements - avoid imposing western values.
 3. Provide targeted long-term education (e.g. scholarships, mentoring) that will enhance business and management capacity, rather than once-off superficial introductory training programs.
 4. Provide targeted education to Indigenous people to boost their capacity for decision-making and better governance.
 5. Collaborate with government and industry tourism bodies to network and gain experience and exposure.
 6. Increase participation in government tourism planning and development at local/regional level to increase Indigenous tourism business ownership.
 7. Provide better access to good information, support mechanisms and processes to reduce red tape and increase efficiency.
 8. Provide long-term face-to-face support rather than relying upon referrals to web-based support systems.
 9. Move to a market driven (rather than product driven) approach to Indigenous product/service development.
 10. Deliver better, timely visitor data to enable business decisions based on current facts.
 11. Investigate and balance funding from individuals and community enterprises to ensure equity and flexibility.

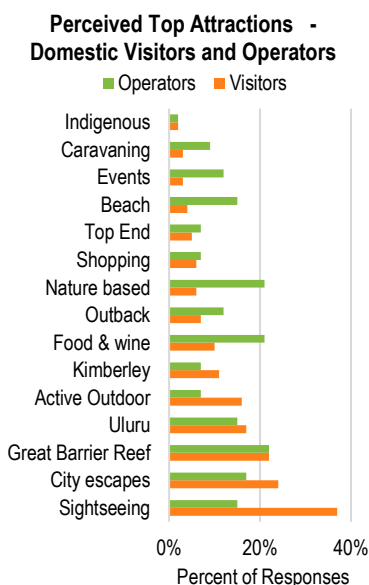
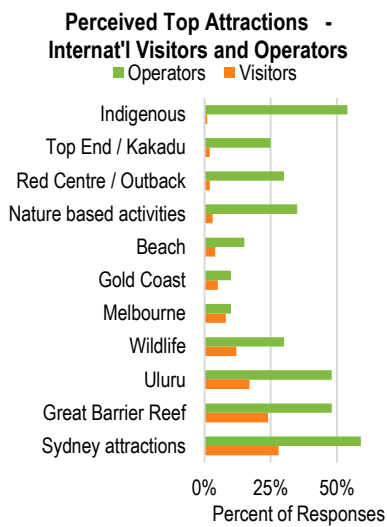
3. SPECIFIC CHALLENGES

The bullish demand and interest for Indigenous tourism foreshadowed in earlier tourism development forecasts has not transpired into visitor flows for many Indigenous tourism businesses.

But, the reported evidence (**University of Qld, 2013**) shows participation in Indigenous tourism experiences by both international and domestic markets has been declining since 2006. The bullish demand and interest for Indigenous tourism foreshadowed in earlier studies has not transpired into visitor flows for many Indigenous tourism businesses.

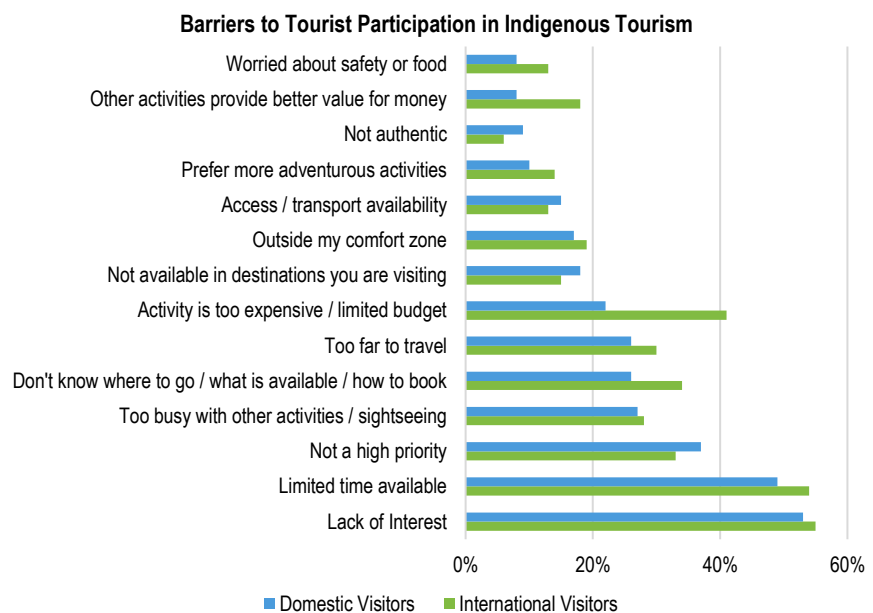
In summary, the report found:

- Indigenous tourism operators overestimate international visitor demand for Indigenous experiences. Operators believe, incorrectly, that international tourists see Indigenous experiences as highly attractive, yet less than 5% of these tourists want an Indigenous tourism experiences. The drawing power of remote iconic sites such as Uluru and Kakadu is also greatly overestimated by operators.
- International tourist visitors have low spontaneous/top-of-mind awareness of Indigenous tourism experiences (less than 25% for domestic visitors and less than 20% for international visitors).
- Domestic visitors have little interest in Indigenous tourism. There is low awareness amongst the domestic market that Indigenous tourism experiences are available in Australia.
- Many Indigenous tourism operator respondents believe 'racism/negative preconceptions' and 'negative media attention' about Indigenous peoples are barriers to domestic visitor participation in Indigenous tourism. For the international market, operators see the main barrier as 'activity is too expensive/limited budget'.
- Consumers see the Indigenous tourism product offerings as reasonably homogenous. Willingness to pay (another indicator of demand) is relatively low with most visitor expectations below \$100 per day.
- A number of Indigenous tourism operators recognise the importance of the Chinese market and the opportunities it can provide, yet many operators voice a lack of interest in pursuing this market both now and in the near future.
- There is low awareness amongst the Chinese inbound market that Indigenous tourism experiences are available in Australia. Only 6% of Chinese visitors cite Indigenous tourism as a top of mind activity to undertake Australia compared to over 75% of Chinese visitors who are aware they can undertake 'outdoor /nature' experiences.
- The main barriers Chinese visitors cite to participating in Indigenous tourism are a lack of information and related advertising/promotion, safety and comfort concerns, and language barriers.
- Inbound tour operators identify barriers and challenges associated with providing Indigenous products and experiences on Chinese tours in Australia including language, cultural barriers, product availability /awareness and standard, timing, pricing, interest, logistics, location and access.
- Most Chinese tour operators believe experiencing Indigenous art and craft to be very important to Chinese visitors while 59% of tour operators and 79% of expert informants believe visiting an Aboriginal site or community is important to Chinese visitors. Yet the most important activities cited by Chinese visitors in Australia include 'sightseeing/looking



around’, ‘visiting the Great Barrier Reef’ and ‘going to the beach’. Indigenous experiences are rated as far less important.

- Chinese visitors display an increase in intention to participate when prompted about specific Indigenous tourist scenarios. The most cited motivation for undertaking at least one of the Indigenous scenario experiences is an interest in Aboriginal history, culture and traditions (54%). Importantly however, the most cited barrier to undertaking the scenarios is a lack of interest in the scenarios presented (65%).
- Indigenous experiences/products that tour operators and expert informants suggested tourism businesses should provide included: Aboriginal cultural show; bush tucker/story telling; guided nature /environment tours with Indigenous guide (maximum one hour); cultural centres; and, art/craft, rock paintings, carvings, souvenir and shopping opportunities.



The University of Qld study recommended the Indigenous sector:

1. Explore the knowledge needs of Indigenous tourism operators, as well as the uptake and usage of tourism market data. Develop appropriate communication channels to meet knowledge needs and assist operators in identifying, interpreting and collecting relevant data sources.
2. Embed export ready Indigenous tourism products in international and national distribution channels. Integrate micro, small and start-up businesses into local tourism distribution channels to increase product awareness.
3. Develop awareness/marketing programs targeted at the domestic market that highlight the range of Indigenous offerings available in Australia. However, it will also be necessary to develop strategies to overcome the low levels of interest and participation in Indigenous tourism.
4. Develop a targeted marketing and educational campaign to demonstrate to the broader community, the scope and breadth of Indigenous tourism operations in Australia,

5. Support Indigenous tourism operators in developing products and experiences that are reflective of contemporary Indigenous culture while balancing visitor demand and expectations,
6. Undertake realistic assessments of product gaps vis-à-vis tourist flows and demand patterns thus moving away from supply led, 'build it and they will come', approaches to demand driven product development,
7. Focus on development in urban centres and surrounds to capitalise on existing visitor traffic,
8. Develop marketing campaigns to increase awareness of Australia's Indigenous tourism products; this should be targeted at both visitors and tour operators given the prevalence of group tours in this market,
9. Examine an apparent lack of interest from some Indigenous tourism operators to pursue and engage with the Chinese inbound market.

4. CAPE YORK RECREATIONAL TOURISM STUDY

An FRDC Project in 2012 (**Donald, 2012**) investigated the potential for Indigenous communities on Cape York to provide recreational fishery services on a commercial basis to the tourist markets.

The final report noted that QLD state legislation was hindering Indigenous communities seeking to develop commercial tourism services and "escape from welfare". A significant part of the empowerment of Indigenous communities must involve a more efficient process for clan group (e.g. microenterprises) and local government councils to negotiate issues that will enable better economic outcomes.

I. SEAFOOD TRADE

1. GLOBAL TRENDS

Since the 1960s, global per capita seafood consumption has increased from 10 kgs per person to 19 kgs per person in 2016. But as global population has doubled from 3.6 Bn to 7.5 Bn over that period, the real expansion in global seafood demand has been 300%, from 36 MMT to 143 MMT.

The main drivers for this growth have been rising incomes and urbanisation, expansion of aquaculture production and increased efficiency of distribution channels. Much of this growth in seafood consumption has been in Asia, and especially China.

But global capture fisheries are now fully exploited (many are overexploited) with global supply plateauing at around 90 MMT since the 1990s. Aquaculture is the only means to fill that global demand gap. Currently, more than half of global seafood supply is obtained from capture fisheries in marine and inland waters, while the remaining 40-45% is derived from aquaculture. Aquaculture supply will surpass capture fishery supply in the next decade. Another fundamental change will be the massive increase in the share of branded seafood (compared to commodity seafood) as consumers move into the middle class and become more discerning and sophisticated in their food preferences.

Fish are a traditional cuisine across Asia. In Indonesia around 54% of animal protein supply comes from fish and seafood, with per capita annual consumption of seafood rising from 10.6 kg in 1975 to 28.9 kg in 2011. With the middle class in

China, India and Indonesia (the largest emerging Asian economies) set to double in the next decade, the demand for sophisticated and safe, branded seafood will increase - the higher their income, the more they spend on seafood. But the problem is that emerging Asia has no chance of meeting its own demand from its local production – it must rely imported seafood to satisfy domestic demand.

The outlook shows Asia and China dominating fish consumption and growth while Europe has near zero volume growth, and Australia and USA have minimal volume growth.

The time is now right for Australia's Indigenous fisheries to invest in unique fishery capacity (both capture and farmed), launch branded products and tell their unique customary fishing stories to inbound tourists, and to consumers in the Asian market place.

2. AUSTRALIAN SEAFOOD SUPPLY COMPETITIVENESS

Compared to global seafood production, Australia is a minor global player, producing less than 0.2% of global fisheries and aquaculture supply. Australia's aquaculture production comprises less than 1% of global aquaculture.

Our wild catch industry is primarily servicing high value, price-insensitive, export markets (Abalone, Rock lobster, prawn, tuna, crab), while most domestic aquaculture producers are small scale, with relatively high production costs, and must service the domestic market (Salmon, Oysters, Barramundi).

In 2013–14, Australians consumed 345,500 tonnes of seafood, 69% of which was imported (around 65% of Barramundi and 64% of prawns consumed in Australia are imported) (**Joint Select Committee on Northern Australia, 2016 p. 23**). Competition from frozen imports from Asia has, amongst other factors, seriously limited the growth of the aquaculture industry.

PROJECT SEA DRAGON

This emerging development, the largest seafood investment currently underway in Australia, is informative for this case study project.

The proponent (Seafarms Group Ltd - Sea Dragon venture at Legune Station in the NT) notes that Australian aquaculture producers needed to be in the lowest quartile of lowest cost producers to be globally competitive. Small scale production is unlikely to be internationally cost-competitive because of relatively high labour costs, a small local Australian market, and difficult and expensive transport logistics (particularly within, to and from Northern Australia).

Higher feed and capital costs are the main issues for local aquaculture investors. Competition for labour against the booming mineral resource industries has also driven up seafood production costs over the last decade – they will likely moderate with the decline of the mining wage base. When fully developed in the next decade, this prawn farm project is forecast to produce 100,000 tonnes of farmed prawns per year, making it one of the Top 10 prawn aquaculture ventures by scale in the world. Australia's

Legune Station sits on Indigenous coastal land near the NT - WA Border. On 31st August 2017, the proponents confirmed the support of the Northern Land Council

and signed an Indigenous Land Use Agreement (ILUA) for the development of the venture.

FREE TRADE AGREEMENTS

For investors and marketers, Australia has enhanced its competitiveness through a more open approach to foreign investment capital into seafood and tourism ventures and agreement on several Free Trade Agreements with large seafood importing markets – notably Japan, China, South Korea, and ASEAN member countries. Brand Australia and the premium provenance of Australian foods (milk, seafood, horticulture, beef) is increasingly attractive to emerging middle-class consumers across Asia.

J. HISTORICAL INDIGENOUS PARTICIPATION IN FISHERIES

Wild catch seafood has been a source of nutrition for Indigenous people for thousands of years. Communities have been sustained through customary fishing, with many holding traditional use rights today.

But many Indigenous communities are now engaged in other fishery related activities, including as fishers, license holders and investors in commercial and recreational wild catch, aquaculture, supply chain activities, and in aquatic resource management roles including as Sea Rangers.

1. AUSTRALIA'S TOP 500 INDIGENOUS CORPORATIONS

Fishery and aquaculture activity makes a negligible contribution to Australia's leading Indigenous entities. But it is informative to briefly assess the economic development leaders in leveraging the Indigenous estate.

In 2015 Australia's Office of the Registrar of Indigenous Corporations (ORIC) compiled the latest update regarding the nation's 500 leading Indigenous corporations (ORIC, 2016). The report identifies the following key points for the year 2014-15:

- A total of 2,688 corporations are registered with ORIC - 170 new entities were registered in the last year. Of the Top 500, 29% are RNTBCs,
- Of the Top 500, NT hosted 33%, WA 25% and Qld 19%, comprising 77%,
- Health & Community Services was the largest sector (39% of entities), followed by Employment & Training (18%) and Land Management (16%),
- Annual growth for entities ranges from 10% (Qld) to 2% (SA) for the last decade - highest growth in mining, communications and municipal services, and declines in manufacturing, wholesale trade and personal services,
- Combined income of the top 500 was \$1.88 Bn, up 8.2% for the year. The highest income was \$88.9 million, the lowest was \$311,000. 43% of income was self-generated, 39% came from governments, 17% from royalties/other sources, and 0.3% from philanthropic gifts. The amount of self-generated income continues to steadily take over from government-derived income as the leading source of income,
- Combined value of assets for the top 500 was \$2.22 billion, up 5.7% for the year. The largest asset base in a single entity was \$61 million, the lowest was \$96,000. On average, 80% of all assets are held as equity.
- The Top 500 entities employed 11,095 FTEs,

- The average number of directors per Top 500 entity was 8.1, the largest board comprised 57 directors, and the smallest board was 3 directors. 47% of directors in the Top 500 were male and 53% were female. There were 19 all-male boards, and 39 all-female boards.

2. WILD CATCH

Indigenous people can be and are engaged in the full range of wild catch fisheries – customary, commercial, and recreational. The mix of these sectors varies by species, location and jurisdiction.

In some Commonwealth managed fisheries, such as the Torres Strait Finfish Fishery, all commercial licences have been purchased by government. Since 2008 finfish licences in the Torres Strait have been owned by Indigenous inhabitants of the Region. Non-Indigenous license holders in other Torres Strait fisheries are increasing observing requirements for a minimum number of skilled Indigenous employees on vessels and in seafood facilities. Recent legislative amendments enable the commercial sale of some species harvested under customary harvest provisions. More broadly, all jurisdictions are actively reviewing commercial fishery legislation to appropriately address and consider issues pertinent to Indigenous and recreational fishers (**Borthwick, 2012**).

Other wild catch fisheries across northern Australia, where Indigenous coastal communities predominate, also have relatively high rates of Indigenous engagement of Indigenous people as fishers, licence holders or in operating roles along supply chains. For example, in Beche-de-mer fisheries where shallow waters have historically enabled community access to this catch.

In subtropical and temperate southern Australian fisheries, Indigenous communities variously fish under commercial licences (e.g. Abalone), based on custom, or recreationally subject to bag limits. Some jurisdictions and researchers collate data regarding Indigenous participation in commercial fisheries (e.g. NSW). However, nationally there is limited public data to confirm the level of Indigenous heritage of commercial or recreational licence holders, fishers or people employed in fishery chain activities.

3. AQUACULTURE

Indigenous people have undertaken elementary forms of aquaculture for at least 6,000 years. The Gunditjmarra People (Case #5) near Heywood in Victoria were changing the landscape to culture eels (**Victorian Govt, 2016**).

In 2006 the ABARES assessed and reported on Indigenous people involved in aquaculture (**Tedesco, et al., 2006 Aug**). The Australian Government in conjunction with state and territory governments identified a selection of industries that were more likely to be appropriate for Indigenous people in remote locations. Aquaculture was identified as one of these industries.

CASE STUDY REVIEW

In 2006, there were 48 licenced aquaculture farms with significant Indigenous involvement. Their jurisdictional bases and scope of activity were as follows.

Indigenous Aquaculture Ventures	Farms with an approved license	Farms waiting for a licence to be approved	Farms close to applying for a license	Expressions of Interest
NSW	12	0	0	3
VIC	2	0	0	2
QLD	2	1	1	7
SA	Na	Na	Na	Na
WA	24	2	3	3
TAS	5	0	0	0
NT	3	0	2	9
Australia	48	3	6	24

In Western Australia most farms were involved in intertidal reef reseedling of trochus. In 2006 the South Australian Government did not record the number of farms with significant Indigenous involvement.

As part of that study, five case study farms were investigated and reported by ABARES. The status of the case study operations has been updated to 2016.

	Farm Description	Business Structure	Source of Funds	Developed Scale and Comments	2006 / 2015 Status
1	2.5 ha ponded Mud Crab farm at Kulaluk in Darwin, NT (since closed)	JV between Gwalwa Daraniki Association and NT Gov't	Dependent on funds from Australian and NT Gov'ts	Not yet operational. All licences approved. Darwin market targeted. Forecast 15 tpa crabs; GVP of \$200.00 -300,000	2006 – ponds completed, 45,000 crabs stocked.
2	20 ha subtidal Blue mussel farm at Port Lincoln, SA	Pt Lincoln Aboriginal Community Council	2004 Business Plan too ambitious. All funds sought from Australian and SA Gov't.	Not yet operational. Lease granted by SA Gov't. Spat installed June 2006. Domestic market. Forecast 70 tpa at GVP of \$210,000	2006 – lease issued, training proposed.
3	Trochus hatchery at One Arm Point, at Broome, by ACIAR grant 1999	Bardi Community per Ardyaloon Incorporated representing community at One Arm Point.	Hatchery upgraded since 1999 setup. Funds from local Indigenous groups, Govts	Set up in 1999. 10 tpa - GVP \$120,000, - forecast growth of 30% Shells exported - 10 tpa Meat – sold locally. Tourism potential.	2006 – viable hatchery - plan to expand. 2016 – viable hatchery - new species
4	Coolgaree Bay marine sponge farm at Palm Is. Qld, east of Townsville	Manbarra Community Technical research support from AIMS	Dependent on Qld and Australian Govt funds – set up CAPEX of \$7.5m	Not yet operating. Est. 500,000 sponges per year at GVP of \$4.3m 50% of sales for export markets (Greece).	2006 – TOs signed formal ILUA in 2005. Awaiting finance.
5	Multispecies pond farm (prawns, Barramundi) at Pandanus Park, Kimberley WA	Aboriginal Corporation, with support from WA Gov't and Kimberley Aquaculture Aboriginal Corp.	Dependent on funds from Australian and WA Gov'ts	Not yet operational. 8 tpa prawns + 7.5 tpa of barramundi. GVP \$223,000. Tourism potential. Domestic market initially and exports later on.	2006 – no operational progress made on the venture due to wet season.

The report recommended five main factors be considered by Indigenous people before investing in a new aquaculture venture:

1. Understanding the current state of the Australian aquaculture industry and forecasting the future of the industry –species selection, consumer demand and preferences, competitors, location of markets,
2. Producing the aquaculture product – the correct species, the correct production and culture methods, farm viability, investment expectations and criteria, and business planning,
3. Investigating alternative business and employment opportunities for community members, location of the business, and skills available from the local community. Aquaculture businesses require management and operational control 365 days of the year plus regular site maintenance.
4. Gaining access to skills and experience (technical, business, financial, training, market and supply chain) and general development support,
5. Networking with other farms currently in the industry.

Each of these five ventures failed (i.e. was not commercially viable and did not proceed) due to a range of technical, commercial, managerial, social and cultural problems. From the case summary above, and expert reviews (**Fleming, 2014**), and (**Tedesco, et al., 2006 Aug**) the failure points include:

- Lack of technical knowledge causing barriers to production development,
- Lack of adequate startup capital, and inadequate planning for time-critical infrastructure investment,
- Lack of robust market research and supply chain analysis,
- Highly technical work unsuitable for enterprise participants with limited skills and significant education barriers,
- Safety concerns regarding diving (crocodile risks) as part of operations,
- Unrealistic financial expectations (profits and timeframes),
- Low wages during development and demanding daily operations,
- Cultural barriers to participation, lack of community control and decision-making, conflict re work attendance and cultural obligations and demands, and poor consultation and communication,
- Facilitation by external agencies contributed to enterprise startup failure, including short timelines for external managerial, administrative and financial support; lack of long term planning, and inappropriate cross-cultural communication, negotiation and decision-making processes,
- The ventures took a strong focus on technical and commercial aspects of development without adequate consideration of the socio-cultural aspects, in particular, the types of enterprises targeted, and the way facilitation is implemented,
- To achieve success, all five of the technical, commercial, managerial, social and cultural factors need to be appropriately addressed. Fleming and others note the extensive research that is pointing to a “hybrid economy” where the business model provides pathways and incentives for Indigenous people and their customary fishery practices and knowledge to be integrated into a market-based commercial model - job participation through aquaculture.

Sea-based aquaculture enterprises may offer a culturally integrated model of work and health promoting activities and at the same time enable Indigenous people to pursue cultural imperatives that may otherwise compel them to regularly leave more western forms of work.
Dr A. Fleming

As part of one NT project (**Fleming, 2014**) a workshop identified the three key success themes from Australian and international studies and policy analyses. These themes are presented in greater detail in Figure 16.

Figure 16. Failure Points for Indigenous Aquaculture

FAILURE POINTS FOR INDIGENOUS AQUACULTURE based on Fleming 2014		
C. CULTURAL ENGAGEMENT	1. Communication and Relationship	<ul style="list-style-type: none"> • COMMUNICATIONS: Engage in local, authentic communication and consultation, that encompass strategic, partnership-based collaborative approaches with communities. Ensure effective communication and knowledge transfer to key sectors of the community. • CULTURE: Have cultural knowledge and understanding of each place and recognise the contemporary fluidity of community life. Plan for timelines set according to cultural protocols. Use culturally appropriate communications methods that enable local people to be fully informed. Appreciate the influence of the historical and social context of communities on program design. • ENGAGEMENT: Ensure communities are engaged in priority setting and actively leading decision-making in program design, development and implementation. Be responsive to Indigenous priorities and commit to long-term sustainable relationships based on trust and integrity. Seek to build a 'shared understanding' and build agreed meanings and ways forward. Design processes that builds local capacity. Work with local governance structures and with local Traditional Owners, Elders and organisations.
	2. Clarifying Aspirations	<ul style="list-style-type: none"> • SOCIO CULTURAL: Understand the extent that social and cultural norms impact (positively or negatively) on engagement in entrepreneurship. Recognise the dynamic potential inherent in culture, rather than seeing it as a problem blocking commercial development. Recognise that globally social entrepreneurship has an important role to play in the process of addressing the socioeconomic circumstances of Indigenous peoples. • MOTIVATION: understand that the prime motivation for Indigenous entrepreneurs globally appears to be for self-determination through preservation of heritage, customs and traditions. Recognise that Indigenous entrepreneurial activities are often embarked upon to achieve desired social outcomes, rather than just economic goals • IMPLEMENTATION: Ensure flexible work arrangements to allow Indigenous employees to meet their work, family and community obligations. Ensure continual improvement of policy is achieved through adequately funded evaluation programs. Ensure evaluation programs align with Indigenous aspirations and wellbeing
	3. Valuing both Traditional and Western Knowledge	<ul style="list-style-type: none"> • TFK: Recognise and value the cultural knowledge and skills of community organisations and Indigenous people. Recognise that valuing Indigenous knowledge and building it into the 'business' model engages the local community and promotes a strong sense of community ownership of the enterprise. Recognise that Aboriginal leaders perceive that the preservation of knowledge and the development of mechanisms (including economic activities) that perpetuate this knowledge are of highest priority. Appreciate that gaps in existing scientific knowledge may be filled by knowledge about the local ecology and species held by Indigenous communities. Recognise that strong community engagement can be aided by increasing use of local knowledge and expertise
B. BUSINESS DEVELOPMENT	1. Enterprise RD&E	<ul style="list-style-type: none"> • GOOD R&D: Appreciate the importance of R&D in facilitating the growth and viability of new business opportunities. Ensure R&D reduces the production and market risk for emerging businesses. Ensure R&D includes investigations into sociocultural requirements. Ensure R&D is readily available to new, small and growing businesses.
	2. Entrepreneurial Capacity Building	<ul style="list-style-type: none"> • BUILD THE BASE: Recognise that successful community-based enterprises are underpinned by good governance - foundation stone for building sustainable community development. Ensure community-based enterprises have good organisational governance, business planning and financial literacy. Recognise that engagement is the first hurdle. Recognise that for community-based enterprises having culture embedded within the business and its operations is vitally important for success. • HUMAN CAPITAL: Recognise the importance of access to business expertise, advice and mentorship, early on. Ensure the quality, relevance and depth of training is at the desired standard to effectively increase the skill level of Indigenous people via formal education and training. Recognise that financial literacy is the platform for improvements in Indigenous self-employment. Recognise that women may be crucial to the success of businesses as they tend to have a holistic view, can maintain systems and processes, and build self-esteem. • RESOURCES: Ensure timeframes and funding for external support, training and mentoring programs are adequate. Ensure business support staff are competent and appropriately skilled in business management and development. Ensure that communities have access to financial and business advice and ongoing support. Recognise that communities often lack social, human and organisational capital as well as financial capital.
	3. Infrastructure, Supply chain, Land tenure, Capital funds	<ul style="list-style-type: none"> • INFRASTRUCTURE: Ensure access to physical infrastructure – communications, utilities, transportation, land. • FINANCE: Ensure people can raise finance. Ensure availability of financial resources, equity, debt grants, subsidies for new and growing businesses. Assist Indigenous people to access finance otherwise not been available through commercial avenues. Recognise that start-up funding to assist businesses needs to be coordinated and based on long-term commitment
A. MARKET DRIVERS	1. Internal/external market demand	<ul style="list-style-type: none"> • REAL ECONOMY & MARKETS: Assist Indigenous people identify and develop economically viable, culturally-embedded, businesses. Assist Indigenous people engage the mainstream commercial sector for business opportunities. Identify economically viable external and local markets for product export.
	2. Government policy & programs	<ul style="list-style-type: none"> • Ensure policies encourage and facilitate new and growing businesses. Provide direct government programs to assist businesses at the national, regional and municipal level. Ensure that existing commercial / institutions do not prevent emergence of new or growing businesses. Recognise the impact that poor Indigenous development policy can have on programs and community engagement
	3. Indigenous self-determination & primacy	<ul style="list-style-type: none"> • MOTIVATION: Recognise that a prime motivator for Indigenous people is the desire to rebuild their nations and communities by exerting control over traditional territories and, in doing so, improve their socioeconomic circumstances. Recognise that a key motivator for Indigenous people to engage in entrepreneurship is desire for self-determination and financial independence (particularly from welfare), rather than acquiring wealth. Recognise that the cardinal principle is to motivate and equip people to take control of their own lives and their contemporary living environment. Recognise that some of the key drivers for Indigenous entrepreneurship is the desire for future generations not to have to experience the same hardships as their predecessors, to escape, individually or communally, from poverty, and to provide for family needs. Recognise that families and small incorporated groups are more successful in enterprises than larger community groups • SCALE & SCOPE: Where land and environmental issues are concerned, plan at the scale of each group's 'country' Understand that Aboriginal communities are not homogenous but are composed of different language and kinship groups, often with different interests in land; so factional disputes are the norm. Address power inequalities.

PROSPECTS FOR AUSTRALIAN AQUACULTURE?

An FRDC Sector Overview report in 2015 estimated aquaculture growth, by key species, through to 2020.

Aquaculture species	Tonnes 2012	2012 GVP \$m.	Est. Growth % in tonnes/yr	Est. 2020 Tonnes	Est. 2020 GVP \$m.	% Change in GVP 2012-20
1. Salmon	44,000	513	+5% – in TAS	65,008	758	48%
2. Rock lobster	0	0	No farms	0	0	
3. Prawn	3,941	59	1 new farm	8,603	129	118%
4. Tuna	7,100	150	+3% - in SA	8,994	190	27%
5. Abalone	762	23	+13%	2,061	62	169%
6. Edible Oyster	15,750	107	+3%	19,952	136	27%
7. Pearl Oyster	n/a	102	+3%	0	129	27%
8. Barramundi	4,500	41	+6%	7,172	66	61%
9. Crab	0	0	No farms	0	0	-
10. Snapper	0	0	No farms	0	0	-
11. Mussel	3,400	9	+5%	5,023	14	55%
12. Carp	0	0	Small farms	0	0	-
13. Tilapia	0	0	No farms	0	0	-
14. Silver Perch	350	4.3	+3%	443	5.4	26%
15. Other species	4,600	55	+3%	5,827	70	27%
16. Grouper	0	0	No farms	300	2	Na
17. Cobia	0	0	+3%	4,000	32	Na
18. Yellow Tail Kingfish	0	0	New farms	3,000	36	Na
19. Aquatic plants	0	0	+3%	2,000	6	Na
20. Algae	0	0	+3%	5,000	15	Na
Est. Total	84,403	\$1,063		137,383	\$1,650	55%

These “best estimate” growth projections are based on discussions with industry, in nominal dollar terms. The National Aquaculture Strategy 2017 aims to double the sector’s value to \$2 billion by 2027.

If Indigenous fishery communities are to increase their economic participation in aquaculture over the near term, it will likely be for species on this list, or high value species unique to their community waters, for example Beche-de-Mer.

4. INDIGENOUS FISHERY CAPACITY AND PERFORMANCE

A long-term fishery assessment project managed by the FRDC has established a set of performance and use criteria, against which all Australian fisheries can be assessed and mapped over time. The aim of this project (FRDC 2014-235) is to undertake expert assessments of fisheries every 4-5 years, and then inform fishers, fishery managers, researchers, investors regulators, other stakeholders and the public about the performance and use of these national assets as a basis for strategic action.

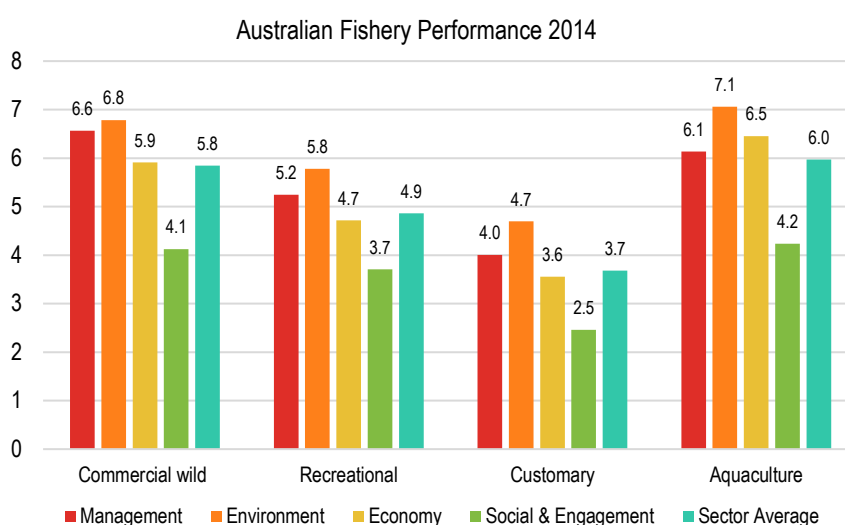
The project has established 34 standard assessment criteria that cover four broad assessment themes – fishery management, environmental matters, economic matters, and social and engagement matters. Each criterion for each fishery is

assessed on a 10-point scale, where 10 is best use and optimal performance for that fishery against its potential.

Completing its third 5 yearly assessment cycle assessing wild commercial fisheries in 2014, the project is now starting to identify strategies that can enhance use and boost performance in this sector. All other fishery sectors have only been added and assessed in the last cycle – aquaculture, recreational, and customary fishing – so analyses and insights for these are limited.

In 2014 a small sample (4) of Indigenous customary fisheries were assessed by experts and achieved an overall rating of 3.7 out of 10. By comparison other sector ratings were: Commercial wild catch 5.9; Recreational 4.9; Aquaculture 6.1. The following figure presents performance ratings achieved for all sectors in 2014.

Figure 17. Australian Fishery Performance 2014



Experts consider the best and worst scores for Indigenous fisheries to be:

Indigenous Fishery Performance and Use Ratings 2014	Rating
Worst Ratings	
1. Community believes there is adequate and equitable access to fishing	2.0
2. Corporate responsibility targets local employment, reinvestment and best practice	2.0
3. Australian community is well informed, and understands the need to trade-off options	2.3
4. Community has a positive view of sector and its preferences and KPIs are known	2.3
5. Fishery management for recreational and customary users is understood by all sectors	2.3
Best Ratings	
1. Human and use impacts (e.g. pollution, waste) are identified and mitigated	6.3
2. Promotion and use of systems, practices and gear that minimise environmental impacts	6.3
3. Quota/target species discards and by-catch to be low, minimised and recorded	6.3
4. Effective measures to control IUU activities	6.3
5. Impact is minimised on threatened, protected or endangered species	6.7
6. Indigenous Recreational fishing controls - science based and achieve strong compliance	7.0

The project has made an initial estimate that the “underperformance” of Australia’s Indigenous Customary Fisheries results in foregone direct economic returns in the order of \$1.3 million per year.

5. THE CRITICAL ROLE OF INDIGENOUS MICROBUSINESSES

In the Australian economy, it is an economic truism that the performance of an industry sector is built on the performance of its commercial entities – its companies, microbusinesses, employees and investors. If businesses and households are viable and creating wealth, then their communities and industries will grow and prosper. Governments have a role in supplying some infrastructure, monitoring resource sustainability, and maintaining a regulatory framework.

It follows that the economic health of an Australian Indigenous community will be enhanced by the creation and ongoing prosperity of Indigenous employment, investment and wealth creation of families and microbusinesses in that community.

The critical pathway to long term, sustained economic development for an Indigenous fishery community is to foster, engage and enable Indigenous microbusinesses aligned with families and clans. The objective is to support these microbusinesses to grow, employ community members and invest in themselves and their businesses, to make their community fishery viable and sustainable. This will integrate cultural and corporate aspiration in the hands of a family business that can create wealth for itself and the community. This is one pathway to resolve the “welfare conflict” and reliance that many communities in this project have identified as a barrier to better social and economic outcomes for their members. As noted by KPMG in 2016, (KPMG, 2016)

“There is now effective consensus that the long term economic empowerment of Indigenous Australians cannot be built on welfare provisions and must be built through employment and entrepreneurial activity.”

3. CASE STUDY BACKGROUND AND CONTEXT

This project seeks to identify and enhance the human and economic drivers that will most effectively build the capacity and performance of Indigenous fisheries.

That challenge requires decisions to be made regarding project scale and scope and case study selection, at a number of levels.

The following case studies are a small sample of the population of Australia's Indigenous fishery communities. Their long engagement in marine and farmed seafood is very evident.

A. CASE SCALE AND SCOPE

Guided by the IRG Members, the project team has identified accessible cases studies that will best serve the purpose of this project. The Waruwi Community's Yagbani AC case in the NT was prescribed by the FRDC, but all other cases have been considered and selected by the IRG and the PI.

Four High-Level criteria were used to support this selection process.

Firstly, people in Australian Indigenous fishery communities undertake fishery (and related) activities in many forms. They are active in customary, commercial and recreational fisheries; as employees, license holders or owners; in wild catch, farming or service roles (e.g. recreational fishery guides).

Secondly, legislation impacting Indigenous fishers and fisheries varies from jurisdiction to jurisdiction and across the Commonwealth and territories. The bulk of Indigenous fishery communities are located in the NT. However, in order to broaden the project scope and learnings, the IRG and PI have chosen five fishery jurisdictions (Commonwealth, NT, QLD, VIC, SA, WA) as hosts for case study fisheries chosen in the project. Their respective legislation has direct and indirect impacts on the complex "moving parts" (e.g. Native Title, Indigenous development fishery permits, etc) for each Indigenous fishery that falls within the scope of this project.

Thirdly, fishing is a very dynamic global industry and the world's most traded protein source. Market and social change is forcing shifts every day to new technologies, new environmental and food standards, and better fishery management regimes. All Indigenous fisheries are touched by these global and national changes – some have responded to these opportunities while others lack the awareness and/or capacity to respond.

Fourthly, Australia's Indigenous people are not homogenous. As with the non-Indigenous community, there are many varied clans, tribes, mobs, culture groups, nations and communities which bring unique and long standing cultural perspectives to their fishing – be it customary, commercial, farming or recreational. Economic development aspirations are fundamentally grounded in the role the fishery plays in the community.

A further economic development stage and timing issue was raised by NAILSMA (Armstrong, et al., 2004) as follows:

"It is important that Indigenous interests enter at the beginning of new projects and new markets for economic development to have the greatest benefit for Indigenous people. This is particularly important with regards to asserting new or emerging native title rights, and other markets such as carbon abatement that are linked to customary management practices".

The project team has worked with the IRG Members to balance and optimise the the choice of case study communities and fishery activities to enhance project learnings.

The project literature review and desk research process revealed that the FRDC published a report in 2010 that considered developing a model for enhanced consultation and collaboration between Indigenous communities and the fishing industry (FRDC 210-230, 2010).

B. CASE STUDY SELECTION

As previously discussed in this chapter, case study selection has been undertaken to optimise project learnings in pursuit of the project's aims.

Apart from one case study prescribed by the FRDC, four High-Level criteria have guided this selection process:

- The variety and scope of Indigenous fishery communities - customary, commercial and recreational fisheries; as employees, license holders or owners; in wild catch, farming or service roles,
- Relevant jurisdictional policy and legislation settings,
- Indigenous fisheries managing and/or negotiating market and social change,
- Representative of the ethnic and cultural diversity of Indigenous fisheries

1. INDIGENOUS COMMUNITY DEMOGRAPHICS

The Australian Census 2011 identifies the age (in years) distribution of Indigenous Australians by jurisdiction.

State	Indigenous Population	Indigenous % of Total	Median Age Indigenous	Median Age Non-Indigenous
NSW	208 476	2.9	21.4	38.0
Vic.	47 333	0.9	21.7	37.3
Qld	188 954	4.2	21.0	37.2
SA	37 408	2.3	22.3	39.8
WA	88 270	3.8	22.4	36.8
Tas.	24 165	4.7	21.7	41.3
NT	68 850	29.8	23.8	34.8
ACT	6 160	1.7	22.1	34.7
Aust.(a)	669 881	3.0	21.8	37.6

ABS 3238.0.55.001 - Estimates of Aboriginal and Torres Strait Islander Australians, June 2011

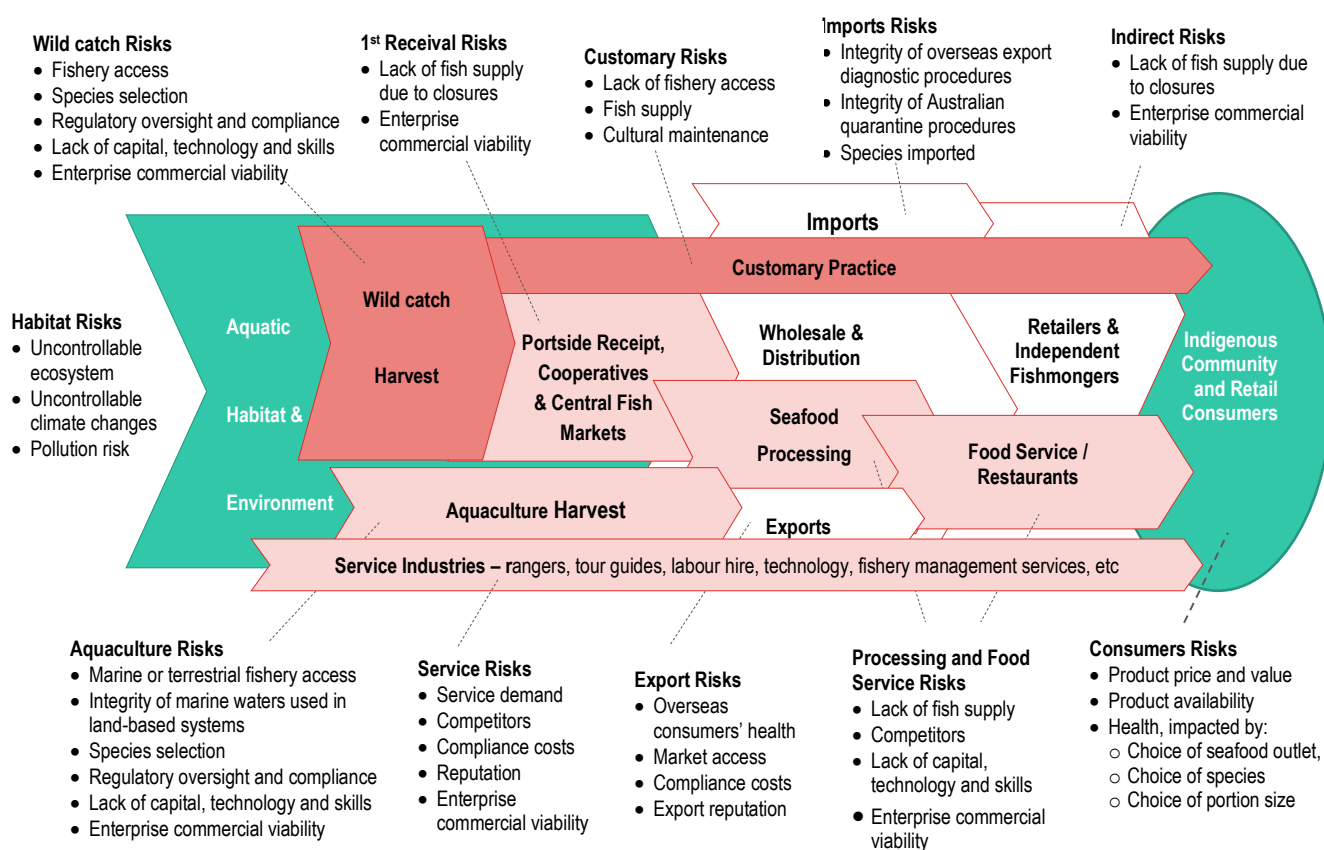
2. INDIGENOUS PARTICIPATION ALONG VALUE CHAINS

In modern times, Indigenous people have had limited participation in commercial activities (see Figure 18) related to the harvest, supply, value adding, and consumption of fishery and aquaculture products and services.

There are few, if any, current examples of Indigenous people in Australia (examples exist in New Zealand and Canada) owning and operating commercial businesses across the seafood product and services value chain through to retail consumers.

As customary wild catch harvesters and consumers, Indigenous people have primarily serviced and met local demand (direct and via barter) in their local communities. As Sea Rangers, fishery managers, fishery Tour Guides, Charter operators, local service providers, and employees they have provided commercial support services to the commercial, recreational and seafood sectors.

Figure 18. Indigenous Participation in Commercial Supply Chains

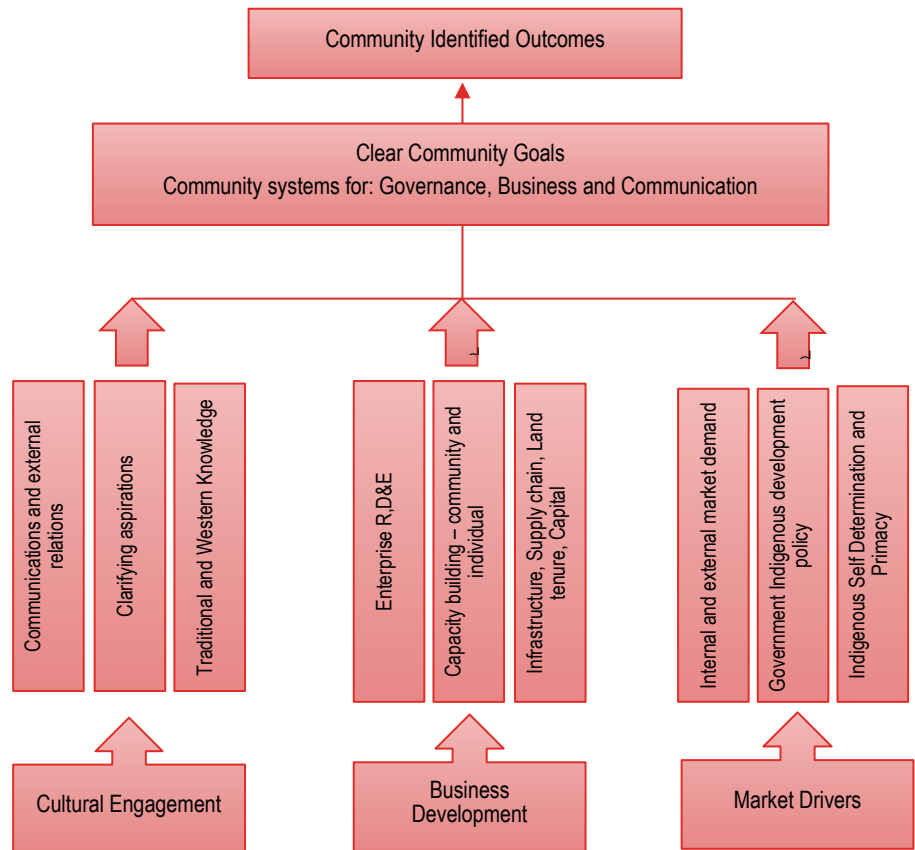


The selection of case studies was guided by knowledge of these participation activities and the relevance of potential insights each would bring to the project.

3. ECONOMIC AND SOCIAL FACTORS FOR INDIGENOUS AQUACULTURE ENGAGEMENT

A recent FRDC Project (Fleming, 2015) in the NT developed success factors as part of an Indigenous business development framework based on an action-learning fishery case study.

Figure 19. Critical Success Framework for Indigenous Enterprise Development



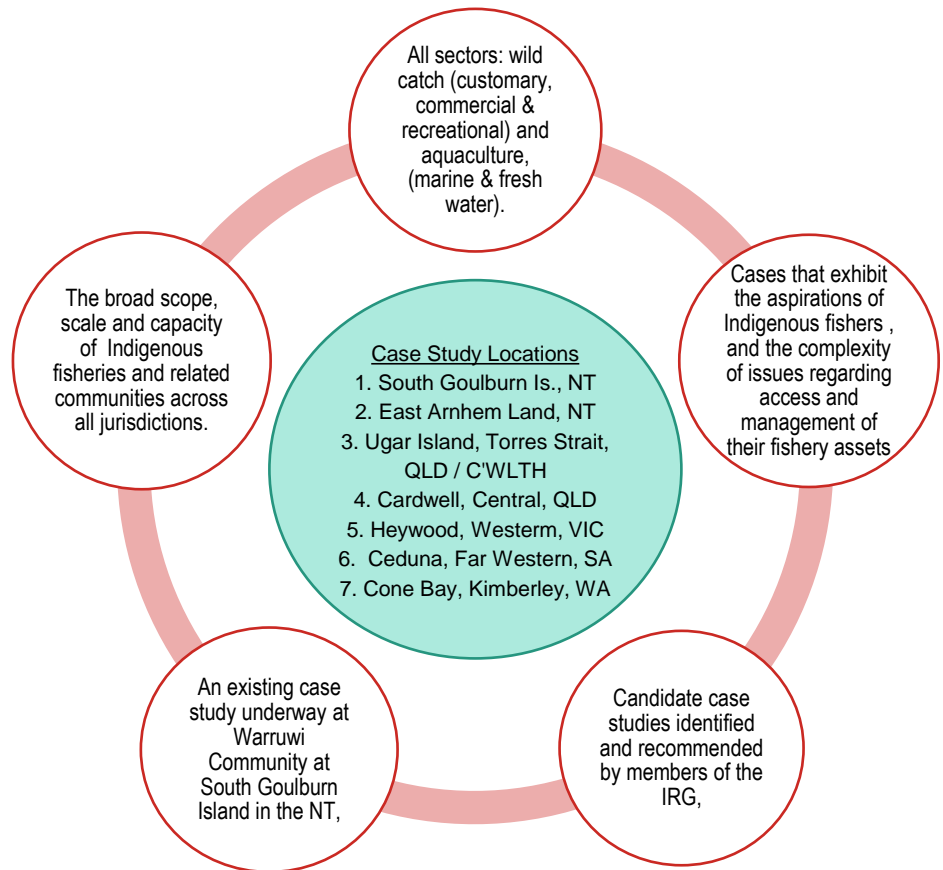
The framework is a step forward in the development of Indigenous economic outcomes as it links cultural, business development, and market drivers to the IRG's Strategic RD&E Principles (11) and Aspirations (5).

4. IRG CASE STUDY PRIORITIES

The IRG (Broome Meeting 29 July 2014) reviewed a long list of Indigenous Fishery Case Study candidates presented by the PI.

In addition to the High-Level selection criteria, (discussed above) the IRG prioritised these "long list" candidate fisheries under five criteria, as described in the following figure.

Figure 20. Indigenous Fishery Case Study Criteria



The IRG identified and confirmed seven case study communities that were subsequently engaged and developed as case studies by the project.

Five of the case studies are based in northern Australia where the majority of Australia's Indigenous coastal communities are located. These learnings and insights can be extrapolated to southern Indigenous fishery communities.

One case study community in Eastern Victoria has chosen not to participate in the project. The contact for this project is Ms Jo-Anne Andrews at Gunaikurnai Land & Water Aboriginal Corporation, Bairnsdale VIC.

5. AQUATIC SPECIES SUPPORTING INDIGENOUS CASE STUDIES

The following table identifies the available species targeted by Indigenous fishery communities in Australia (FRDC, 2003), and the species targeted by these selected case studies. Figure 21 summarises background information regarding each of the targeted case study communities.

The NRIFS (page 117) states that ~98.3% of the Indigenous harvest in Northern Australia was retained for human consumption.

Figure 21. Summary of Case Study Species and Activity

INDIGENOUS FISHERIES	SPECIES TARGETED NATIONALLY				CASE STUDY TARGET SPECIES (by location)						
	Finfish	Crustacean	Mollusc	Other	1. Waruwi	2. East Arnhem	3. Ugar Island	4. Cardwell	6. Heywood	7. Ceduna	8. Cone Bay
WILD CATCH											
1. MARINE Customary	Mullet, Catfish, Sea perch /snappers, Bream, Barramundi, Barramundi cod, Grunters /trumpeters, Trevally, Threadfin salmon, Wrasse/tusk fish/groper, Garfish, Whiting, Cod, Sharks/rays, Australian bass/perch, Emperors, Coral trout, Rock-cod, Mackerels, Butterfish, Flathead, Tuna/bonitos, Pike, Redfish, Herring/pilchards, Small baitfish	Bluer swimmer crab, Mud crab, Other crabs, Lobsters, Prawns,	Bivalves, Mussels, Tropical abalone, Oysters, Pipi/ Goolwa cockle, squid	Beche-de-mer, Crocodile, Dugong, Turtle, Worms		Mullet, Barramundi Cod, Mackerel, Coral Trout, Red Emperor, Golden Snapper, Jew Fish, Queenfish		Species subject to community strategy and access permits. A). Indigenous Fishing Permits - all species subject to traditional use. B). Fishery Development Permit – all species outside existing commercial fishing areas		Abalone, Crab, King George Whiting, Southern Garfish, Snapper, Southern Calamari, Squid, Shark, Prawns, Rock Lobster, and Sardine	
Commercial (Recreational not relevant)	Barramundi,			Beche-de-mer	Beche-de-mer, Blacklip tropical oysters, Fluted giant clam		Tropical Rock Lobster, Finfish, Beche-de-mer	C). Commercial Licences 1). Crabs and Non-quota netting species, 2). Quota species - Coral trout, Red-throat emperor, reef fish, Spanish mackerel, Beche-de-mer			
2. FRESH WATER Customary (Commercial and Recreational n/a)	Barramundi	Macrobrachium /cherabin, Crayfish		Crocodile, Turtle							
FARMED											
1. MARINE	Barramundi, Cobia, Barramundi cod, Saddletail snapper, Coral trout, Flowery rock cod, Camouflage grouper, Giant grouper				Beche-de-mer, Blacklip tropical oysters, Fluted giant clam				Pipi	Barramundi, tuna, Mussels, Abalone	Barramundi, Cobia, Barramundi cod, Saddletail snapper, Coral trout, Flowery rock cod, Camouflage grouper, Giant grouper
2. FRESH WATER								Barramundi	Short finned eel		

C. CASE STUDY OUTLINE

Figure 22. Status of Selected Indigenous Fishery Community Case Studies

Families, Clans and Community	Entity / Prescribed Bodies Corporate	Native Title / ILUA	IRG Priority to be Addressed	Fishery Scope and Development Prospects
1. Mangalgarra, Meyirgulidj, Murran, Namarawidja and Yalama People, based at Warruwi, South Goulburn Is., NT	<ul style="list-style-type: none"> Yagbani Aboriginal Corporation 	<ul style="list-style-type: none"> Aboriginal Land Rights (NT) Act 1976. Intertidal waters access per Blue Mud Bay Case 2008 	<ul style="list-style-type: none"> Self Determination – and barriers to Indigenous involvement Economic Development Capacity development through engagement with mentors 	<ul style="list-style-type: none"> Wild catch for Beche-de-mer, Seafood ranching and aquaculture of Beche-de-mer, Blacklip oysters, and Fluted giant clams
2. Gumatj, Rirratjingu, Djapu, Madarrpa and Dhalwangu People based in East Arnhem, NT	<ul style="list-style-type: none"> Garngirr Fishing Aboriginal Corporation 	<ul style="list-style-type: none"> Aboriginal Land Rights (NT) Act of 1976 Intertidal waters access per Blue Mud Bay Case 2008 	<ul style="list-style-type: none"> Self Determination – and barriers to involvement Economic Development Capacity development through mentoring 	<ul style="list-style-type: none"> Indigenous wild fisheries based on commercial and related development licences Long term target species are Mackerel, Barramundi, Coastal line species (Black jewfish, Golden snapper, emperors and cods), and Mud crab
3. Ugar Island (Stephen Island) in Eastern Torres Strait, Commonwealth Waters	<ul style="list-style-type: none"> Kos & Abob Fisheries (Torres Strait Islander Corporation) Incorporated Ugar Ged Kem Le Zeuber Er Kep Le (Torres Strait Islanders) Corporation RNTBC. 	<ul style="list-style-type: none"> Torres Strait Treaty 1985, between Australia and PNG Ugar Island Native Title determined December 2014 	<ul style="list-style-type: none"> Self Determination – quota ownership, and financing Economic Development - self-management Capacity building – education and 2-way engagement 	<ul style="list-style-type: none"> Indigenous wild fisheries Commercial fishery for Beche-de-mer, selected finfish (Mackerel, Coral trout, emperors, Barramundi cod), and Tropical Rock Lobster Potential long-term development of ranching for Beche-de-mer
4. Bandjin, Djiru, Girramay, Gugu Badhun, Gulnay, Jirrbal, Nywaigi, Warrgamay and Warrungnu People, based at Cardwell, QLD	<ul style="list-style-type: none"> Girringun Aboriginal Corporation 	<ul style="list-style-type: none"> TUMRA declared in December 2005 Girringun Indigenous Protected Area declared June 2013 	<ul style="list-style-type: none"> Primacy Traditional Fishing Knowledge Capacity Building 	<ul style="list-style-type: none"> Indigenous commercial development fishery for selected finfish crab and inshore net species, initially Sea country traditional use management of dugong in TUMRA waters
5. Gunditjmarra People, based at Heywood, VIC	<ul style="list-style-type: none"> Gunditj Mirring Traditional Owners Corporation RNTBC Winda Mara Aboriginal Corporation 	<ul style="list-style-type: none"> Gunditjmarra and State of Victoria 31 Oct 2007 	<ul style="list-style-type: none"> Self Determination Economic Development - self-management re Pipis Capacity building 	<ul style="list-style-type: none"> Fishery Tourism based on historic site of traditional eel aquaculture Indigenous wild fisheries for target species including Pipis
6. Kokatha, Mirning, Oak Valley, Roberts, Wirangu and Yalata People, based at Ceduna, SA	<ul style="list-style-type: none"> Far West Coast Aboriginal Corporation RNTBC 	<ul style="list-style-type: none"> Native Title determined April 2014 Co-management, Access established April 2014 	<ul style="list-style-type: none"> Primacy Cultural Practice Economic Development 	<ul style="list-style-type: none"> Recreational fishing – tours Seafood Trail – from Port Lincoln to Ceduna and westward, with "grey nomad" tourist activities Commercial licences – employment of Indigenous youth; Trust support for Indigenous SME outcomes for target species including Abalone, Crab, King George Whiting, Southern Garfish, Snapper, Southern Calamari, Squid, shark, prawns, Rock lobster, and Sardine
7. Aarli Mayi Kimberley Saltwater People (Dambimangari, Bardi Jawi and Malaya) based near Cone Bay, King Sound, WA	<ul style="list-style-type: none"> Dambimangari Aboriginal Corporation Mayala Aboriginal Corporation Bardi and Jawi Nimiidiman Aboriginal Corporation RNTBC 	<ul style="list-style-type: none"> Native Title variously determined for relevant people in 1998, 2005 and 2011 	<ul style="list-style-type: none"> Self Determination – barriers to Indigenous involvement Economic Development Capacity building – education and 2 way engagement 	<ul style="list-style-type: none"> Aquaculture in a declared development zone Target aquaculture species to include Barramundi, Cobia, Barramundi cod, Saddletail snapper, Coral trout, Flowery rock cod, Camouflage grouper, and Giant grouper.

D. DATA MANAGEMENT FOR INDIGENOUS COMMUNITIES

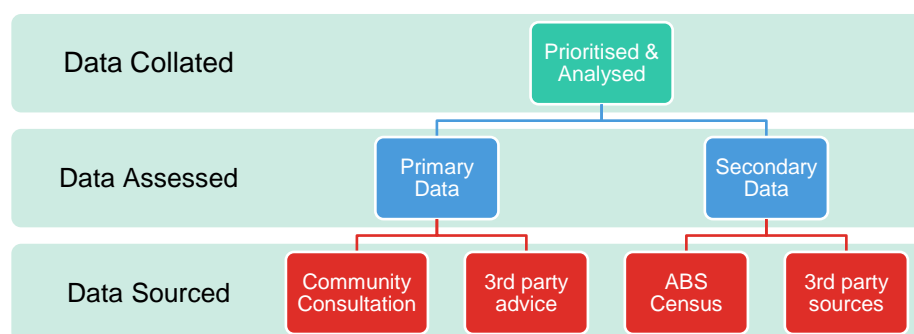
1. DATA ACCESS

This project collated data from a number of primary and secondary sources.

Given the broad and diverse nature of Indigenous fishery communities across Australia, the study team decided to use a well-established national database (i.e. the ABS Census conducted every 5 years), complemented and refined wherever possible by contemporary time series data from jurisdictional, regional, local and industry sources. It is noted that the Productivity Commission found that the 2011 Census did not count around 17% of Aboriginal and Torres Strait Islander Australians (**Productivity Commission, 2016**)

Some primary data sources have requested that their data be confidential to the PI. In these cases, the project has integrated that data into larger datasets to preserve its confidentiality.

Figure 23. Source and Use of Project Data



Primary data has been sourced in interviews by the PI with case study proponents, fishery managers, government agency staff⁴ and stakeholders in Indigenous fisheries. Other primary advice has been received from IRG Members the IRG Executive Officer, FRDC Staff, and other relevant third parties.

The main secondary source of data has been the Australian Bureau of Statistics (ABS), including the 2011 Census and other ABS data. Initial data from the recently completed 2016 Census are available but only for population indices, not employment or education indices. Other secondary data sources include published reports and media, and data sets received from related experts, agencies and participants. Where appropriate these sourced are noted in the text, and / or referenced and listed in the bibliography.

The PI specifically accessed ABS data packs related to Indigenous Australians, drawn from the Australian Statistical Geography Standard (ASGS). The

⁴ For example, regarding detailed issues in the Gunditjmarra Case study, the PI interviewed expert staff from four Victorian Government agencies – Fisheries Victoria (Darci Wells), Parks Victoria (Ron Waters), Department of Justice Victoria (Rosemary Lowry), and the Department of Economic Development, Jobs, Transport and Resources (Scott Lawrence).

Indigenous structure of the ASGS provides a geographical standard for the publication of statistics about the Aboriginal and Torres Strait Islander population of Australia. It has been designed for disseminating census data by spatial areas relevant to the distribution of Aboriginal and Torres Strait Islander populations.

The Indigenous database comprises three levels of geography units in a single hierarchy. The structure is built directly from the smallest base unit - Statistical Area Level 1 (SA1s). Indigenous Locations (ILOCs) are formed by aggregating one or more SA1s. These in turn aggregate to form Indigenous Areas (IAREs) which aggregate to form Indigenous Regions (IREGs). At each level of the hierarchy structure, the component spatial units collectively cover the whole of geographic Australia without gaps or overlaps.

- Indigenous Locations (ILOCs) are aggregates of one or more Statistical Areas Level 1 (SA1s). ILOCs generally represent small Aboriginal and Torres Strait Islander communities with a minimum population of 90 Aboriginal and Torres Strait Islander usual residents. An ILOC is an area designed to allow the production of census statistics relating to Aboriginal and Torres Strait Islander people with a high level of spatial accuracy while maintaining the confidentiality of individuals. ILOCs are designed to cover the whole of geographic Australia.
- Indigenous Areas (IAREs) are medium sized geographical units designed to facilitate the release of more detailed statistics. IAREs provide a balance between spatial resolution and increased granularity of attribute data. They are created by aggregating one or more ILOCs. IAREs are designed to cover the whole of geographic Australia.
- Indigenous Regions (IREGs) are large geographical units loosely based on the former Aboriginal and Torres Strait Islander Commission boundaries. They are created by aggregating one or more IAREs. The greater population of IREGs enables the highest level of granularity of attribute data through greater cross classification of variables compared with IARE and ILOC. IREGs are designed to cover the whole of geographic Australia and do not cross State/Territory borders.

NATIONAL INDIGENOUS TRENDS: CENSUS 2011 AND 2016

At the time drafting this report the 2016 Census data was not fully released, and 2011 is the last complete Census database available. Available data for the 2016 Census reveals top line trends for Indigenous people over the decade since the 2006 Census.

Figure 24. National Indigenous Census Population Trends

Census Population	2006	2011	2016	% change 2011-16
Total Australian Population	19,855,290	21,507,717	23,401,892	+8.8%
Median age years	37	37	38	
% Indigenous people	2.3%	2.5%	2.8%	+12%
Indigenous Population	455,025	548,367	649,184	+18%
Median age years	20	21	23	
Males	224,074	270,334	322,129	+19%
Females	230,951	278,033	327,042	+18%



4. CASE STUDY 1. WARRUWI COMMUNITY, NT

A. BACKGROUND

1. CONTEXT

People from the Goulburn Islands (north and south Goulburn Islands, NT) have a deep connection and long history with their sea country. Strong links also exist with mainland language groups and clans in West and East Arnhem Land.

Goulburn Island people belong to one of five major clan groups – Manggalgarra, Meyirgulidj, Murran, Namarawaidja and Yalama. They follow a patrilineal descent system, which gives clans ownership of areas of land, estuaries, beaches, sea and offshore reefs and islands (Fleming, 2016). Rights to sea country are also obtained through matrilineal affiliations where Traditional Owners and senior Elders are responsible for that land and its resources.

Figure 25. Warruwi Township on Mardbulk Bay, South Goulburn Island



The terms trepang, sea cucumber, Bêche-de-mer or sandfish are often used interchangeably to refer to marine animals in the class Holothuroidea. The term refers to the high-value dried body wall of the sea cucumber. Beche-de-mer product yield is around 10% of the wet harvest weight of the landed sea cucumber.

Based at Warruwi township on South Goulburn Is., they continue to practice customary harvesting of marine foods and coastal fishing. The island's natural landscapes including pristine beaches, rocky outcrops and sweeping marshlands, harbouring an abundance of wildlife such as crocodiles, fish, dugongs, turtles, oysters, crayfish, mud crabs and stingrays.

Warruwi is the main Indigenous settlement on South Goulburn Island. It lies 290 km north east of Darwin, 100 km north east of Jabiru, and 3 km off the West Arnhem Land coast. This town of 420 people contains a school, health clinic, convenience store, and arts centre. Island access to Darwin is via daily flights from Warruwi airport, or via weekly barge freight service.

The principal target species for Beche-de-mer production is the sandfish (*Holothuria scabra*), found in areas with soft sediment substrate and in beds of seagrass, which play an important role in triggering larval settlement.

It is very likely that Beche-de-mer from Goulburn Island waters was Australia's first export industry. Beche-de-mer was never and is not used as food by Aboriginal people.

Figure 26. Beche-de-mer Harvested at South Goulburn Island



However, Goulburn Islands people have been trading the species with visiting Macassan seafarers from Indonesia's Sulawesi Island Group since at least the mid-1700s. The bulk of this product was ultimately consumed in China. In the 150 years to 1917, Beche-de-mer export volumes averaged 377 tonnes per year (MackKnight, 1976). The South Australian Government ceased issuing licences to Macassans in 1907. Thereafter minimal Beche-de-mer fishing occurred until the early 1980s, mostly by European fishers assisted by local Aboriginal people.

Figure 27. Map of Waruwi and North-West Arnhem Land



A mission settlement was established on South Goulburn Island in June 1916 and in the period until it closed in 1974, a range of horticultural, agricultural, fishing and natural harvest enterprises generated food for self-sufficiency as well as funds through sales (of Beche-de-mer, oysters, mussels, Dugong, turtle and fish) into Darwin markets.

No Beche-de-mer catch by Indigenous fishers was reported during the most recent national fishery survey of northern Australia (FRDC, 2003)

In 2016 Beche-de-mer product from northern Australian marine waters is still considered a delicacy in many Asian cuisines with nearly all NT product destined for Asian export markets.

The islands automatically became Aboriginal freehold land following the Aboriginal Land Rights Act in 1976 (Commonwealth). However, it has since been under freehold lease to Indigenous people from the NT Government. The Blue Mud Bay decision by the Australian High Court in March 2007 gave Aboriginal people exclusive rights over the intertidal zone and related water column. In effect this gives the intertidal area the same Native Title legislative arrangements as if the water was land. This shallow water marine zone is the primary harvest area for Beche-de-mer.

2. EARLY AQUACULTURE DEVELOPMENT

Since 2000 attempts have been made to establish aquaculture enterprises on the island, focused initially on sea farmed bath sponges, and more recently on sea ranched Beche-de-mer.

The latter attempt in 2004-6, supported by the Northern Land Council and the Waruwi community, failed due to lack of follow-through on financial commitments from an Indigenous investment group. Other species trialed for farming included cultured Blacklip tropical oysters (*Striostrea mytiloides*) and the Fluted giant clam (*Tridacna squamosa*).

The NT Department of Fisheries, (NT Fisheries) through its Darwin Aquaculture Centre, has been a long-term supporter and investor in Indigenous aquaculture development. The agency's Dr Ann Fleming was a lead manager in this and related projects. NT Fisheries has undertaken extensive research investigating the potential of Beche-de-mer farming on Goulburn Island, including several projects, (Fleming, et al., 2013) (Fleming, 2014) that worked with Indigenous women in the community to assess their interest in aquaculture development. The senior women of Waruwi have played a crucial part in developing this business concept with the agency.

In her research with women on South Goulburn Island regarding aquaculture and climate change, Fleming concluded that:

- Women preferred aquaculture options respectful of culture and accommodating cultural and family obligations, that engage young adults in meaningful work, improve access to sea country, and provide local foods and support economic development,
- Women placed significant dependence on their governance body to support businesses and expressed disparate views on profit sharing,

- Women continue to engage in customary harvesting and fishing but various limitations impact on this.

3. COMMUNITY GOVERNANCE

The Warruwi community established Yagbani Aboriginal Corporation (YAC), a community not-for-profit business, in 2011.

The enterprise is run by a joint committee representing the five main clan groups. YAC is a social enterprise that aims to foster and support diverse social enterprises and small businesses for community gain, such as art centre, market garden, building and construction, women's projects, aquaculture and coastal line fishing. The Corporation targets business investments that can generate modest profits to support local employment needs.

Figure 28. Gail Ngalgungirr Harvesting Beche-de-mer at Mardbulk Bay



Image source: NT Fisheries

Today the Goulburn islands are part of the West Arnhem Shire, which provides essential services in Warruwi and has a strong presence on the islands. The amalgamation of the Warruwi Community Council into the regional West Arnhem Shire Council as part of NT local government reform process in 2008 left the broader Warruwi community with a greatly diminished capacity to participate in local decision-making processes. Addressing this imbalance was a significant motivating factor for the community to establish YAC as a representative structure.

YAC currently has around 60 members (Fleming, et al., 2013). Most of whom have undertaken an ORIC sponsored training course in organisational governance.

The constant demand on people's time by development projects was an issue in the Warruwi community and is a significant matter in most Indigenous communities. As Fleming noted (Fleming, 2014) the never-ending stream of

Indigenous women play a strong advocacy role in their communities.

Many senior women prefer economic development pathways that rely on traditional and cultural relevant practices, many of which are still strong in the East Arnhem Region.

external service providers wanting the attention of senior community members leads to disillusionment regarding the lack of concrete benefits from these visits. These experiences again demonstrate the need to plan and allocate considerable time to relationship building and communication in all facilitation work with Indigenous communities, and the need for agility, flexibility and associated lengthy timelines.

Figure 29. Elroy Nayabilidg and Maurice Gayakgu - Yagbani Oyster Farm Trials



Image source: ORIC

4. REGIONAL CONTEXT

The West Arnhem Regional Council covers an area of almost 50,000 km² of natural landscape in the western part of Arnhem Land, NT. English is widely spoken; however, many residents also speak numerous Indigenous languages and dialects including Kunwinjku, Maung, Iwaidja, Ndjebbana and Burrara.

In 2016 the Shire had a population of 6,232 people (**West Arnhem Regional Council, 2016**) Seventy- five percent of the residents are Indigenous. Across the shire, males comprise 52% and the median age of all residents is 26 years.

The Council provides a range of local government services to five towns and communities. The largest Aboriginal communities are Minjilang (269 people), Warruwi (423), Maningrida (2,292), Gunbalanya (1,171) and the town of Jabiru (1,129) situated in the World Heritage listed Kakadu National Park. The remaining residents live in more than 50 family outstations throughout the region. These population figures can vary greatly depending on season and family migration.

5. COMMUNITY CAPACITY

The following analyses is based on aggregated Census 2011 data (with 2016 trends where available) from one Indigenous Location (ILOCs): ILOC70400406 -

Warruwi, South Goulburn Island, NT. In addition, the analysis has used data from the NT Medicare Locals (Medicare, 2011).

INDIGENOUS PEOPLE OF WORKING AGE

Based on the 2011 Census, for the Warruwi Community:

- There is a total of 402 Indigenous people, 48% of whom are female, and 94% are Indigenous. The median age is 17 years (median age for all NT people is 31 years), and no persons were born overseas.
- Working age (15–64 years) males and females comprise 58% of the community, compared to 60% for all Indigenous people in Australia,
- Working ages of people in Warruwi broadly reflect the average age profile for Indigenous working people across Australia,
- 31% of working age males and 16% of working age females (Warruwi average of 24%) hold a qualification, slightly below the 25% average for all Indigenous Australians.

Warruwi 2011	Males	Females	Total	%	Indigenous Australia 2011	%
Total People	211	191	402		548,367	
<u>Working Age Groups</u>						
15-24 yrs	40	30	70	30%	105,644	32%
25-44 yrs	47	57	104	44%	139,474	42%
45-64 yrs	31	29	60	26%	85,378	26%
Total working age	118	116	234	100%	330,496	100%
<u>% of People in Community</u>						
15-24 yrs	19%	16%	17%		19%	
25-44 yrs	22%	30%	26%		25%	
45-64 yrs	15%	15%	15%		16%	
Total working age	56%	61%	58%		60%	
% with qualification	31%	16%	24%		25%	

- Available 2016 Census data indicate Warruwi population trends since 2011 Census. Warruwi's Indigenous population has declined from 402 to 362, a fall of 10% for both males and females. In the working age groups, males 15–24 years have declined significantly by 28%, while the females in the same age cohort have increased 33%. Overall the number of working age people across all ages has remained stable at 234 – 233 people.

QUALIFICATIONS OF INDIGENOUS PEOPLE

- No males and 21% of females hold Post Graduate or Bachelor qualifications, with the latter spread across the 25–34 years' age group,
- Qualified males are represented more in the younger age groups compared to the national Indigenous averages at each age group,
- In the 35–44 years' age cohort, the Warruwi community has a shortage of qualified males (14%) compared to 26% for the national Indigenous average, but females at 47%, are well above the national average (26%),

- Qualified females in each age cohort broadly reflect the national Indigenous averages, except for the 35-44 years' cohort noted above.

Warruwi 2011	Post Graduate	Bachelor	Diploma	Certificate	Total	%	Indigenous Australia	%
Males								
15-19	0	0	0	0	0	0%	1,956	5%
20-24	0	0	0	7	7	19%	5,006	13%
25-34	0	0	0	12	12	32%	10,010	26%
35-44	0	0	0	5	5	14%	9,910	26%
45-54	0	0	0	7	7	19%	7,679	20%
55-64	0	0	3	3	6	16%	4,025	10%
Total	0	0	3	34	37	100%	38,586	100%
	0%	0%	8%	92%	100%			
Females								
15-19	0	0	0	0	0	0%	2,145	5%
20-24	0	0	0	0	0	0%	5,809	13%
25-34	0	4	0	0	4	21%	12,068	28%
35-44	0	0	0	9	9	47%	11,371	26%
45-54	0	0	0	3	3	16%	8,327	19%
55-64	0	0	3	0	3	16%	3,719	9%
Total	0	4	3	12	19	100%	43,439	100%
	0%	21%	16%	63%	100%			

EMPLOYMENT

- 43% of the Indigenous people are employed (50% male and 36% female), compared to the national Indigenous average of 40%,
- 48% of those directly employed are in private employment, compared to a national Indigenous average of 75%,
- CDEP participation in this community is 16% for the working age population, compared to a national average of 1.5%.

Warruwi 2011	Males	Females	Total	%	Indigenous Australia	%
People employed	59	44	103	100%	147,717	100%
Gov't employees	34	19	53	51%	33,310	23%
Private employees	25	24	49	48%	110,513	75%
Other	0	1	1	1%	3,894	3%
Unemployed	25	20	45		30,460	
Outside the labour force	34	53	87		155,889	
CDEP	30	7	37	16%	4,838	1.5%
% employed in population	50	36	43		40%	

SEA RANGERS

Indigenous sea-ranger groups have been established in recent years across the NT including on South Goulburn Island, with support from both government and non-government organisations.

On Warruwi the Mardbalk Marine Ranger program was established in 2003. In 2006 the Mardbalk Rangers signed a formal agreement with NT Fisheries to carry out patrols, education and communication activities. The group have also

worked with the neighbouring ranger group, the Maningrida-based Djelk Sea Rangers on various activities.

B. FISHERY PARTNERS

1. CLAN GROUPS

Five clan groups reside on the Goulburn Islands – Manggalgarra, Meyirgulidj, Murran, Namarawidja and Yalama. Traditional land ownership by individual clan groups means that development of a specific aquaculture project at a single site would favour one clan over others. As a consequence, development of the community's fishery assets over the last five years has been slowed due to a range of community obstacles and internal tensions.

In 2009 the Aquaculture Unit of NT Fisheries and the Warruwi community, in partnership with the men's CDEP team, commenced sea trials for Beche-de-mer (*Holothuria scabra*) at an 18 ha. research site at *Wighu* (McPherson Point) as well as growout trials for Blacklip tropical oysters (*Striostrea mytiloides*) and the Fluted giant clam (*Tridacna squamosa*).

In 2011 the community established Yagbani Aboriginal Corporation, a not-for-profit community organisation supported by all clans. All clans and TOs were very keen for this enterprise to be an Indigenous-run business and especially among the older generation this was a very important criterion for future development, and to create employment for the young people in the community. Fleming notes there is "overwhelming evidence in the international literature of the powerful leverage potential in fostering economic growth when women are empowered to engage in fisheries and aquaculture".

In October 2013, all clan Traditional Owners agreed that it would be appropriate for projects to work with each sea country owner group and develop a fisheries management plan for each. The bulk of R&D work undertaken by the community, NT Fisheries and others over the previous four years had been undertaken at the best site, *Wigu*, on nearby Yalama land.

To ensure the project outcomes would ultimately benefit all clan groups, Yagbani members agreed to work across all five clans to investigate the overarching management model for supporting clan-based Beche-de-mer ranching enterprises on Goulburn Island. In December 2013, the Yalama Clan sea country and site was confirmed by Yagbani members as the Beche-de-mer management plan. The proposed Beche-de-mer aquaculture venture (including business model and implementation process) with the Yalama Clan sites would then be used as a template for other clans to adopt for their ranching areas.

Yagbani members then extended this traditional sea-country-harvest model to allowing Beche-de-mer harvesting and farming via clan-based microbusinesses working their sea country as fishers/farmers and paid by the joint Yagbani Aboriginal Corporation (as central supply chain manager) for product harvested or through payment of wages. Clan-based farming arrangements allow people to work collectively within their own microenterprise - allowing family groups to work with each other according to traditional kinship laws, and allow division of labour between gender and generations to be negotiated within the clan, based on traditional customs. The diversified approach to seafood production and first

Female Traditional Owners and customary Elders strongly advocated for generating jobs within the community to engage the younger generations in work.

They saw aquaculture as a way to encourage greater involvement of the younger generations in sea country management and to build their capabilities and improve employment opportunities.

stage local processing offers broader sea farming opportunities to each clan estate, and increases options for estates that perhaps are not suited to farming particular species.

2. TASMANIAN SEAFOODS PTY LTD (TSPL)

Tasmanian Seafoods Pty Ltd was established by the Hansen Family in 1966 in Tasmania, as a wild abalone quota owner, harvester and processor business. The family business is Australia's largest processor of Abalone and Beche-de-mer.

The company has expanded to become a national seafood business focussed on high value seafood products destined for the export market. The business operates its own factories and market depots in Smithton (TAS), Margate (TAS), Dandenong (VIC), Cairns (QLD) and Darwin (NT).

TSPL holds export Approved Quality Assurance Certification from the Australian Quarantine and Inspection Service for all their Abalone, Beche-de-mer and other seafood products. The company has many years of processing experience (canned, live, dried and frozen seafood) and marketing expertise in markets throughout Asia, the United Kingdom, Europe and North America.

Since the late 1980s the company has been investing in R&D to establish sea ranching for the NT Beche-de-mer fishery, with a long-term vision to expand this into WA, northern QLD and Torres Strait. It has declared its first objective is to increase the NT fishery back to an intermediate harvest level of 300-400 tonnes per annum (**Tasmanian Seafoods Pty Ltd, 2015**).

The technical risk associated with this research has been substantial. The Company co-operates with a number of northern Australian Indigenous communities in Beche-de-mer initiatives. Their main venture is jointly with the community of Umbakumba on Groote Eylandt, to trial stocking of juveniles, assessing wild populations, monitoring seeded juveniles and the presence of crocodiles, and the harvesting and initial processing of Beche-de-mer product.

In 2009 the Australia Seafood CRC funded the company's R&D effort to study the genetics of the wild population of the Beche-de-mer. Due to their high market value, the company is also assessing the potential for sea ranching other Beche-de-mer species, including Black Teat (*Holothuria whitmaei*) and White Teat (*Holothuria fuscogilva*).

C. THE FISHERY

1. LOCATION AND ACCESS

The modern NT Beche-de-mer fishery began in the late 1980s. Australia's northern wild Beche-de-mer industry is one of a few remaining viable fisheries of the species in the world.

The fishery operates in waters to three nautical miles seaward of the NT coastline and surrounding islands. Most of the activity occurs along the Arnhem Land coast, the major harvest areas being around Cobourg Peninsula and Groote Eylandt.

Industry partner, TSPL, began harvesting the species in the mid 1990s and developed processing and supply chains for high-value product to established distribution hubs in Singapore and Hong Kong. In the 1980s the NT Fisheries established six 'wild harvest license areas' as part of the management framework for the Beche-de-mer wild fishery. The company has progressively purchased available Beche-de-mer licences and now controls all six NT licences.

In 2012, the NT Fisheries made available three new licenses for sea ranching of Beche-de-mer. Sea ranching involves collecting wild juveniles which are reared in a hatchery and then released into the wild to mature and eventually be harvested. TSPL, Tropical Aquaculture Australia (TAA), and the NT Fisheries agency currently each hold one sea ranching license. In a recent senate committee meeting (**Joint Select Committee on Northern Australia, 2016 p. 64**) TAA noted it had had discussions with TSPL regarding potential partnerships for Beche-de-mer aquaculture. To date TAA has not started commercially operating the license due to the inability to attract financing for the project. TAA also noted their experience that venture capitalists were far more inclined to invest \$20 million into a sound Australia aquaculture venture than to be bothered with a small investment of up to \$6 million (**Joint Select Committee on Northern Australia, 2016 p. 77**).

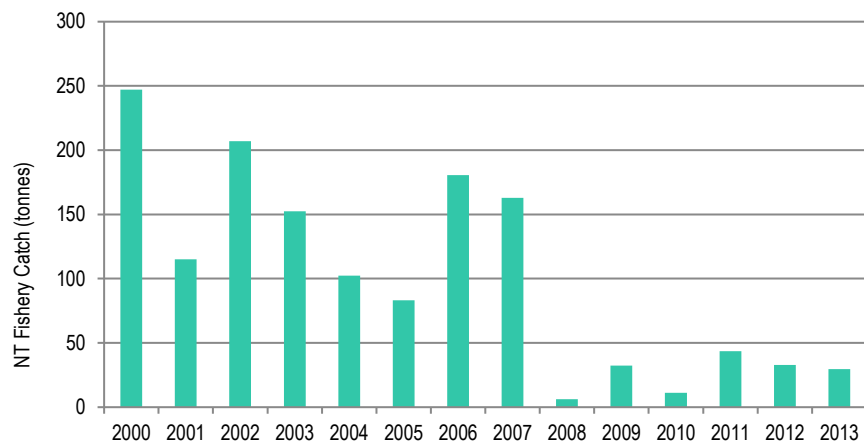
Customary harvesting of sandfish (i.e. Beche-de-mer) usually takes place by walking at low tide and diving in shallow coastal bays and foreshores. Snorkel, scuba and hookah (compressed air portable tank systems) harvest is generally limited to neap tides and the dry season when water visibility improves, and cyclone activity is minimal.

Commercial harvesting from dinghies or in intertidal flats usually occurs during the dry season when the water is clearer. First stage gutting, and cleaning of the catch is processed on board a nearby mother vessel within hours of collection. Processed product is then frozen, and road freighted to the company's Melbourne processing facility where it undergoes a second stage processing before shipment to Asian markets.

2. HARVEST HISTORY

Beche-de-mer harvest in the NT Fishery peaked most recently in 2006 at about 180 tonnes – far less than the 300 tonnes collected seasonally by the Macassan harvesters. The total harvest of Beche-de-mer in 2011 was 35 tonnes, which is an increase from the 22 tonnes obtained in 2010 (**NT Fish Status Report 2014**). There is no evidence of systematic non-compliance in the NT Beche-de-mer Fishery.

Figure 30. Beche-de-mer Fishery Harvests 2000-2013 (NT Fisheries)



The data shows that catch rates are quite volatile. Beche-de-mer are unable to regulate their ionic balance and populations can experience significant mortality events if exposed to freshwater run-off for extended periods of time. Intense wave action (such as that caused by cyclones) may also cause death or damage to Beche-de-mer inhabiting shallow waters.

3. JOINT BECHE-DE-MER MOU

The parties (Tasmanian Seafoods and Yagbani AC) have established a Memorandum of Understanding to harvest wild and ranched Beche-de-mer in waters owned by the Indigenous community. The MOU identifies:

- Logistical, social and commercial aspects of the enterprise that impacted on access, availability and division of labour, product transport and training for Indigenous employees,
- Operational roles and responsibilities for Yagbani Aboriginal Corporation, the participating microbusiness operated by Yalama clan, and Tasmanian Seafoods,
- Licencing, access to fishing vessels, seasonal timing of joint harvests, collaborative harvesting and processing to identify practical and cost-effective arrangements between the community and industry,
- Financial matters including payment terms for product supplied to YAC, and onto TSPL re costs, pricing, and marketing.

Tasmanian Seafoods recognises that the reduced recruitment to the fishery continues to depress its productivity, and economic value. Since 2004 they have invested about \$8 million in R&D in several areas, including:

- Large-scale juvenile releases to increase yields,
- Developing hatchery and nursery methods for the large-scale juvenile production,
- Developing technical and ranching guides for ranching, stock enhancement and restocking,
- Working with Indigenous communities to establish remote ranching trials, first-stage processing operations along the NT coastline. Current trials of Beche-de-mer ranching are occurring in Little Lagoon with the Umbakumba community on Groote Eylandt.
- Establishing an Indigenous seafood and Beche-de-mer processing facility and processing training to a group of men and women,

- Assisting to secure processing and export registration and approved arrangements (to comply with Australian export control legislation). The company meets these requirements by conducting all first-stage processing and freezing on board their vessels. A seafood product export licence is held by Tasmanian Seafoods.

4. OPERATING TRIALS

Analyses and joint harvest trials (from October 2015) conducted by the venturers identified:

- The logistics of hand harvesting the intertidal and how this impacts on seasonal harvest volumes,
- Intertidal harvest volume estimates per collector subject to the frequency and duration of extreme low tides,
- Forecast volumes collectable per local harvester per 2-hour low tide period,
- Forecast seasonal volumes harvestable, based on assumptions regarding the number of harvesting days per season (subject to low tide frequency and industry vessel access),
- Forecast overhead costs to Yagbani AC to support various administrative and operational activities, including support staff, staff overheads related to this venture, ongoing operating costs and infrastructure maintenance, corporate Yagbani AC overhead. The cost of capital items was not included as it is assumed that external funds will be sourced.

5. INDIGENOUS DEVELOPMENT OPTIONS AND ADVANTAGES

The MOU for the joint business venture between Yagbani Aboriginal Corporation and Tasmanian Seafoods offers a range of Indigenous engagement and development options. Each option brings a range of benefits and disadvantages, for both Indigenous participants and their community, as well as for other non-Indigenous industry participants in the MOU. Fleming summarised the development options from the case study as follows (Fleming, 2016) as presented in Figure 31.

Figure 31. Warruwi Community Beche-de-mer Development Options

DEVELOPMENT OPTION	Benefits and Disadvantages for Indigenous Stakeholders	Benefits and Disadvantages for Industry Stakeholders
A. Indigenous participation		
As crew in wild caught operations	<ul style="list-style-type: none"> • early entry to industry & employment • skill training & mentoring • build trust • demonstrate commitment 	<ul style="list-style-type: none"> • assess community commitment • build trust • build industry workforce
As hand harvesters in intertidal ranching	<ul style="list-style-type: none"> • increased control over Aboriginal waters • avoid marine hazards • limited employment outcomes 	<ul style="list-style-type: none"> • expanded production grounds into Aboriginal owned intertidal • small increase in production • low investment cost
As boat-based harvesters in subtidal ranching	<ul style="list-style-type: none"> • moderate profitability & employment • greater independence and control 	<ul style="list-style-type: none"> • moderate increase in production with low cost
B. Fisheries Model		
Community-based	<ul style="list-style-type: none"> • increased community autonomy and economic independence • limited profit margins 	<ul style="list-style-type: none"> • moderate increase in production • requires individual community negotiations • resource intensive
Regional-based	<ul style="list-style-type: none"> • economic savings through infrastructure sharing • increased profitability through economies of scale • greater employment outcomes 	<ul style="list-style-type: none"> • significant increase in production • offers efficiencies of scale

C. Partnership Agreement		
Formal Memorandum of Understanding	<ul style="list-style-type: none"> • build trust • negotiate for broad community benefits 	<ul style="list-style-type: none"> • secure resource access • surety of commitment • reduced risk
Increase price for product	<ul style="list-style-type: none"> • improves profitability, particularly intertidal-based activities 	<ul style="list-style-type: none"> • secure foundational partnerships to support emergent fishery • opportunity to negotiate access • significant increase in production
Sublease vessel & crew	<ul style="list-style-type: none"> • significant employment • - greater autonomy and control 	<ul style="list-style-type: none"> • significant increase in production
Industry training programs	<ul style="list-style-type: none"> • - build critical capabilities 	<ul style="list-style-type: none"> • a low cost, high value negotiation point • build industry workforce
D. Logistics		
Harvest methods	<ul style="list-style-type: none"> • diverse approach boosts participation 	<ul style="list-style-type: none"> • increased production
Processing facilities	<ul style="list-style-type: none"> • need capacity for local and remote processing 	<ul style="list-style-type: none"> • increased production with low cost
Subcontracting boat, skipper and divers	<ul style="list-style-type: none"> • allows lower-risk entry into offshore activities • support from skilled industry members 	<ul style="list-style-type: none"> • increased production with low cost
E. Employment		
Crew on fishing vessels	<ul style="list-style-type: none"> • builds familiarity with fisheries work • allows training and mentoring by industry 	<ul style="list-style-type: none"> • build industry workforce
Intertidal harvesting	<ul style="list-style-type: none"> • broadens employment options for females 	<ul style="list-style-type: none"> • build industry workforce
Processing	<ul style="list-style-type: none"> • broadens employment options for females 	<ul style="list-style-type: none"> • build industry workforce
Support services (admin, managers)	<ul style="list-style-type: none"> • need dedicated training program • transition to Indigenous employees 	<ul style="list-style-type: none"> • build industry workforce

D. BUSINESS PLANNING

1. OPERATING STRUCTURE AND RISK MANAGEMENT

NT Fisheries worked with the Warruwi community, Yagbani Aboriginal Corporation, and Tasmanian Seafoods (collectively referred to as the venture partners), to develop the business plans for Beche-de-mer ranching in near shore inter-tidal marine waters at South Goulburn Island.

As overall project development leader for this case, NT Fisheries commissioned a Darwin based accounting and business advisory firm (Ambrose Business Solutions) to assess business readiness, test commercial feasibility, and develop strategic and business plans for the proposed Beche-de-mer ranching venture. (The PI attended site meetings and planning activities at Warruwi during this planning process). Their reports provide detailed analyses of the planning process, options and recommendation, and are the basis for the following summary of business plan options and recommendations.

There are three primary stages of Beche-de-mer ranching (i.e. farming in uncontrolled open systems): hatchery and nursery, ranching and harvesting, and first stage processing. These stages will variously be jointly or singularly undertaken by venture partners:

- Hatchery and nursery – initially managed by Tasmanian Seafoods and NT Fisheries offsite, with potential to relocate it to the site in the long term,
- Ranching and harvesting - undertaken by local South Goulburn clan-based microbusinesses. Due to seasonal tides, the Beche-de-mer harvest season is very short, running from August to November each year. Hand harvesting is also dependent on favourable tides. This means actual available days for harvesting is approximately 30 days per annum for approximately two to three hours per day. (Sea ranching expands this window to approximately 12 working weeks per annum).

The Yagbani Aboriginal Corporation's primary objective is to encourage self-sufficient and self-sustaining business opportunities in Warruwi to ensure a better future for the next generation.

Board members are committed to creating opportunities for their youth to gain real employment and economic independence.

Ambrose Business Plan Sept 2014

All Beche-de-mer harvested under a fisheries license must be sold to the YAC.

- Processing stage - undertaken by the Yagbani Aboriginal Corporation as a commercial cooperative for the Beche-de-mer project. The YAC will also provide backroom operational support along with training and mentoring to the microbusinesses.

YAC and TSPL will support clan-based microbusinesses to put in place the required infrastructure for harvesting (e.g. a small boat and harvest and storage equipment), implement training programs for Indigenous harvesters, develop freight and down-stream logistics arrangements, sales value propositions and pricing metrics, and marketing channels and programs that may use Indigenous cultural collateral in promotion or branding programs.

With restricted land access to most of the NT coastline, all fishing operations are vessel based. Due to this precise fishing method, there are no non-retained (bycatch) species. Initial processing includes washing, grading and freezing the harvested product, with most operators removing the stomach, and then boiling and freezing the Beche-de-mer. The processed catch is generally unloaded in Darwin (the only NT port with all season access) and transported to domestic facilities for further processing, which typically is mechanical drying.

The recreational harvest of Beche-de-mer is not known but is likely to be low. There were no reports of the species in the catch of Fishing Tour Operator clients in 2011.

The Cooperative Model is structured so that the central business operation (YAC) assists with the development, marketing and support of established and emerging clan-based Beche-de-mer farming ventures. This operational structure is agreed in the Memorandum of Understanding (MOU) between TSPL and YAC.

The YAC as lead commercial entity, removes many of the risks associated with fledgling Indigenous microbusinesses, and it has the capacity, staff and community's trust to provide many of the back-room functions as well as down-stream sales and marketing, training and other facilitation functions.

The proposed cooperative business model to be managed by YAC, is also able to grow and encompass other aspirations of local and regional Indigenous fishery communities:

- To develop Beche-de-mer farming and then to also develop fishery capacity (wild catch or aquaculture) based on oysters, clams and coastal line fishing,
- To integrate with and extend the commercial opportunity to other Indigenous fishery communities on the mainland and in North East Arnhem Land. Co-ops with similar objectives are potential allies (not competitors) to work and learn from one another, as this will ultimately result in the entire fishing industry in the region having greater success and growing faster.

The venture business plan has been developed based on the primary assumption that the Beche-de-mer cooperative model will require financial and resource support for a minimum of five years before it is financially viable, and able to create sustainable employment and community outcomes.

It is recommended in the plan that this funding is sourced from several funding agencies including the NT Department Primary Industry and Fisheries (Aquaculture Branch).

2. FOUR DEVELOPMENT PHASES FOR THE VENTURE

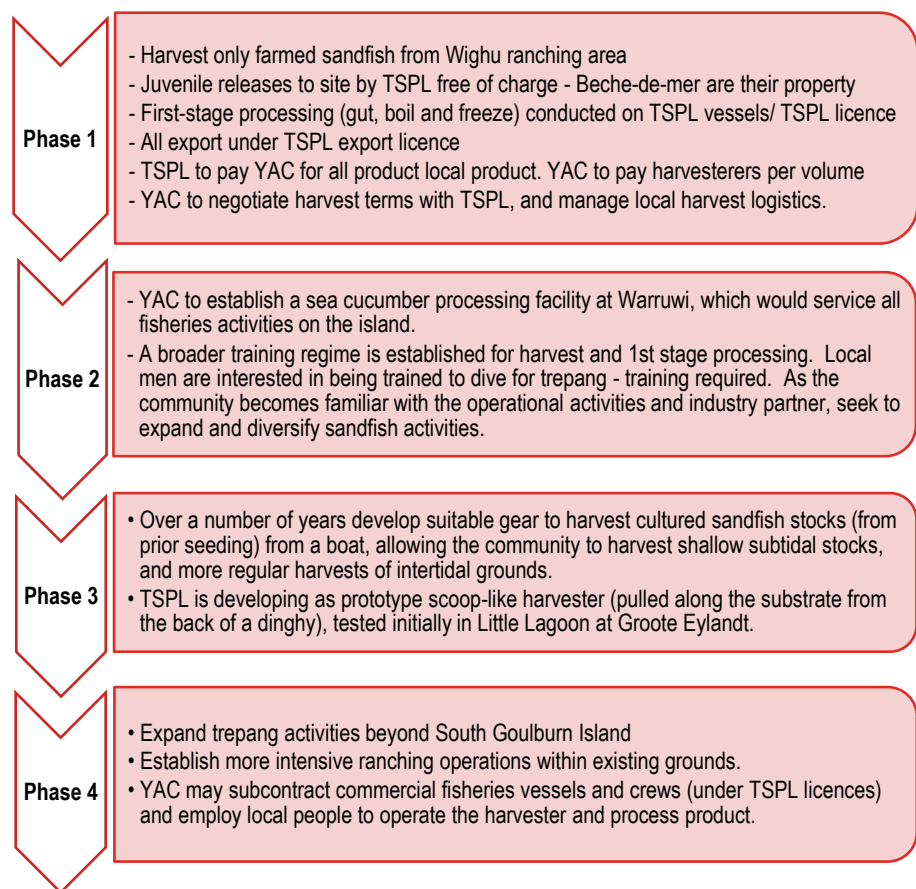
The most recent advice (**Fleming, 2016 p. 15**) from the venture partners proposes a four-phase development, as presented below.

Although Phase 4 may not provide additional profits to Yagbani (see next section), the ability of Warruwi people to subcontract a fishing vessel and independently manage Beche-de-mer activities would represent a major step toward their expressed goals for self-autonomy and economic independence

Figure 32. Warruwi Beche-de-mer Development Phases

The plan will provide a platform to assist in creating real employment and economic independence in Warruwi through the development, marketing, support and coordination of trepang farming on Goulburn Island, by introducing self-sustaining and economically viable micro clan-based businesses.

Ambrose Business Plan Sept 2014



VISION

It had been almost 50 years since commercial Beche-de-mer were harvested at South Goulburn Island, and the community members are keen to recreate a sustainable annual harvest.

The Indigenous people of Warruwi continue to be highly supportive of aquaculture and fishing opportunities. While Beche-de-mer is not eaten locally, Warruwi people continue to be very proud of their history of Macassan contact and Beche-de-mer trade – they view it as a good development option.

Fleming notes that the venture must be developed in a way to enhance (by increasing stock volumes and/or improving access) customary harvesting

practices through stock enhancement, sea ranching or simple sea-based structures and using low maintenance sea-farming techniques. In this way, it will sit well with Indigenous people's preferred development aspirations and sea management practices.

STRATEGY

This cooperative business model (to be managed as a new business division of the Yagbani Aboriginal Corporate entity), proposes that each clan operates their own kinship-based microbusiness, with Beche-de-mer fishery activities taking place on their sea country according to traditional ownership arrangements. Each microbusiness would be paid by the Yagbani Co-op for product weight harvested. Yagbani AC would then, under the MOU with Tasmanian Seafoods, process, trade and export the product to target markets.

E. COMMERCIAL ARRANGEMENTS

Yagbani Aboriginal Corporation was registered as an Indigenous Corporation in November 2011. In this Beche-de-mer venture it is working with a commercial business entity which is wholly owned by TSPL.

Yagbani will also have a commercial relationship with up to five local Indigenous microbusinesses (legal format yet to be determined) that will have a contract with YAC to harvest and supply Beche-de-mer to YAC's Warruwi processing facility.

Figure 33 presents the proposed cultural and corporate governance model for this case.

1. YAGBANI ABORIGINAL CORPORATION

The corporation is managed by a full-time professional manager and governed by a board of seven Indigenous directors. There are 35 Members of the enterprise, more than 90% of whom are Warruwi based.

The corporation lists its main business activity as Art Services, although its brief is now extending into other social and commercial enterprise. The Corporation recorded a profit in both 2014 and 2015 and has net assets in 2015 of over approximately \$120,000.

In early 2016 YAC won the contract to deliver the Warruwi community development program (CDP) on South Goulburn Island. YAC also owns and manages some for-profit commercial ventures (e.g. housing) that are based at Warruwi community.

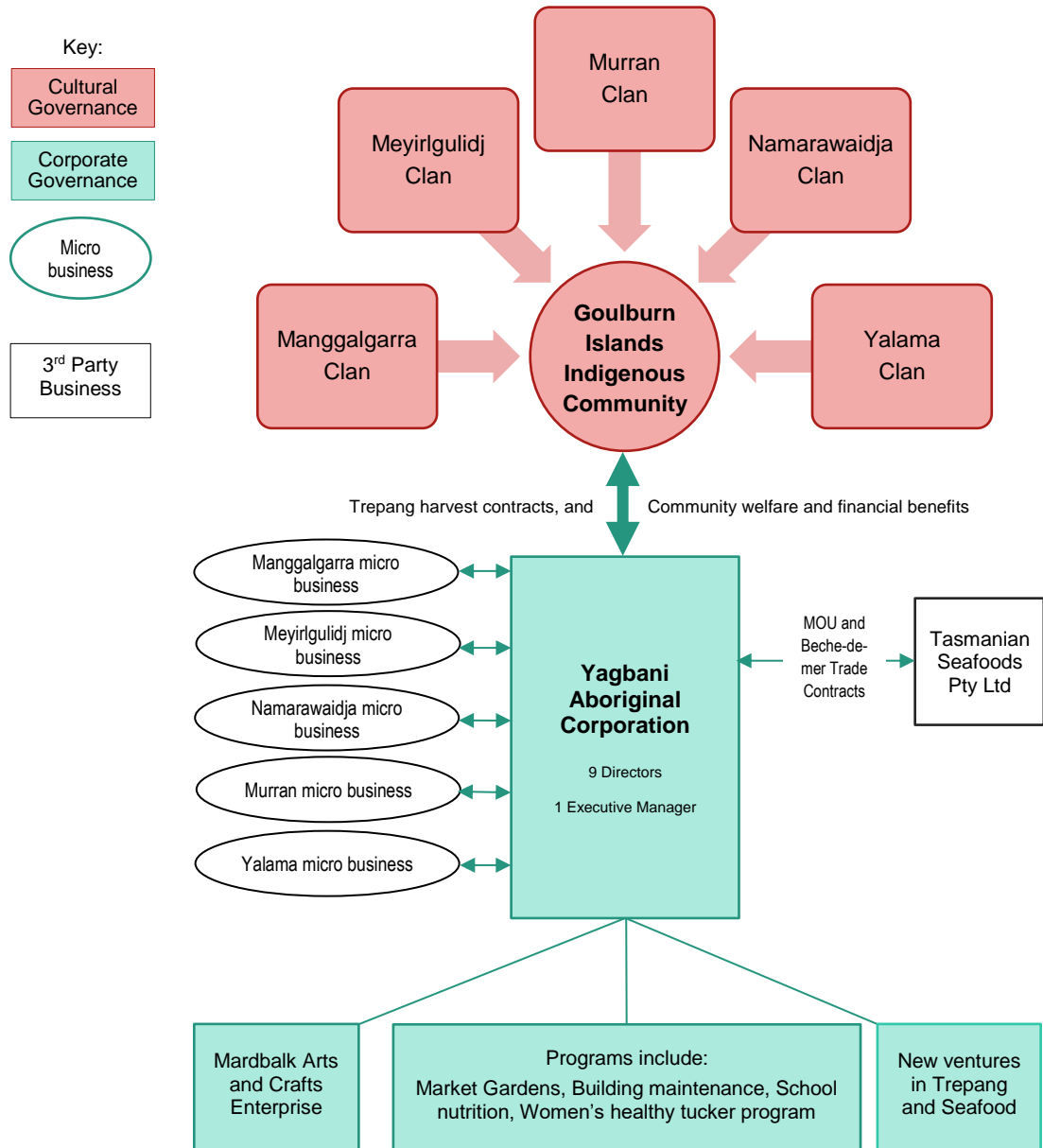
2. GOVERNANCE

The Goulburn Islands Community has established Yagbani Aboriginal Corporation as an incorporated entity primarily to represent and support their community social and welfare interests. The framework continues to mature and now manages a number of commercial, community and co-management entities and activities.

These activities are illustrated in the following governance model. This community approach is a hybrid of the Family Governance Model identified in chapter 2, section D (Governance Models). Governance is structured around a

“big family” body, with service and business arms growing out of a ‘mother’ or central managing organisation. Membership of the board is based on kin relationships and extended family ties.

Figure 33. Warruwi Case Governance Model



This proposed commercial Beche-de-mer venture will require YAC to become more commercial to ensure the venture is profitable over the long term. Financial success in this enterprise will enable increased social returns to community. YAC will also need the capacity to support and manage the financial affairs for the five kinship microbusinesses that will respectively harvest Beche-de-mer from the community’s fisheries, under an evolving commercial arrangement with TSPL.

This proposed cooperative model allows Yagbani Aboriginal Corporation to pool profits and losses from several of its business activities within the community, and then redistribute according to cost requirements. Less profitable (or non-profit)

enterprises, particularly those with a social or cultural focus, may be supported by those that generate profit. Nevertheless, the considerable overhead costs for Yagbani's management, administration and operations (such as salary costs, training, asset maintenance, processing, storage, consumables, freight, etc.) requires some businesses to make a real cash profit to support other activities. Due to the high price of Beche-de-mer in Asian markets many people see Beche-de-mer as a highly profitable business opportunity.

The cooperative model places significant responsibility on Yagbani AC for all aspects of the community's business and services portfolio. Business viability is threatened unless concerted effort is placed on capacity development to ensure effective and transparent practices in governance and business management.

The cooperative model can readily support this essential aspect of development on Goulburn Island by providing and securing external funding for relevant education, training and mentoring. In the interim, the community will continue to rely on external personnel to fill key management roles. The long-term success of these community fishery economic development programs on Goulburn Island will likely be determined by the community's ability to secure capable external personnel over an extended period – possibly over the next decade.

3. FINANCIAL MATTERS

CAPITAL EXPENDITURE

Yagbani Aboriginal Corporation will invest in up-to-date commercial facilities and equipment to support the venture, including:

- Commercial premises for the venture in Warruwi – existing premises
- Fishing dinghies – (3@ \$80,000) - \$240,000
- Beche-de-mer processing site, storage infrastructure / plant - \$100,000
- Office equipment, estimated to cost \$30,000 as part of YAC upgrade.

VENTURE STAFFING

The MOU parties will provide staff on commercial terms to operate the Beche-de-mer venture. The Business Plan identifies four key staff roles that must be retained by YAC from the commencement of operations - Co-op manager/coordinator/supervisor, Mentor/trainer, Bookkeeper, and Administrative assistant. In addition, each microbusiness will require a number of family members (estimated from 2- 8 depending on the development phase) to undertake different responsibilities within the microbusinesses.

A detailed recruitment and employment strategy is proposed to ensure the most appropriate and qualified individuals available are sourced for the venture.

BECHE-DE-MER QUALITY AND PRICE

Beche-de-mer quality is dependent on many factors including species, size (the bigger the better), thickness of wall (thicker is better), colour, taste and texture.

The sales price achieved in Asia varies market to market. The price of processing affects value, with price generally decreasing for product that has been insufficiently dried (over 20% moisture content), or has a scarred body, unattractive incisions made to remove the gut, an unpleasant odour, poor body bands or a chalky epidermis.

Prices in Singapore for the dried final product range (2016) from \$20 US/kg for small/low quality pieces to over \$100 US/kg for larger, good quality specimens. The current price TSPL quotes for processed and frozen Beche-de-mer delivered to Darwin is \$10 per kilogram.

FINANCIAL VIABILITY

Many operating variables have been trialled and tested (e.g. harvest volumes per person per hour, increasing harvest volumes across the four growth phases) as the financial modelling of this venture was developed.

The financial forecast indicates that the venture is not viable at low harvest levels. However, the financial forecast also indicates that a gradual expansion and geographic diversification of the Beche-de-mer fisheries over the next 3-5 years will be financially viable for Yagbani Aboriginal Corporation, while contributing significantly towards broad employment on South Goulburn Island.

Forecast Financial Viability				
Venture Development Phase	1	2	3	4
Harvest kg	1,088	1,904	8,704	13,056
Indigenous harvesters employed	8	14	32	32
Total seasonal employment	12	18	36	36
YAC Aggregate Capital Expenditure	0	\$100,000	\$340,000	\$440,000
YAC Forecast Profit	0	-\$858	\$18,354	\$19,560

4. RISK AND SUCCESS FACTORS

The business plan identifies venture risks that constrain the success factors.

Major Risks	Critical Success Factors
<ul style="list-style-type: none"> • Lack of fixed and working capital funding • Lack of ongoing mentoring and training • Reputation - delivery of product (supply as per contract terms) • Funding for necessary infrastructure • Weather - Goulburn Islands are subject to tropical/monsoonal weather patterns • Commitment of local clans and their respective microbusinesses to this project • Poor financial control • Wrong people in management and staff roles 	<ul style="list-style-type: none"> • Funding - ABA, NT Government and sponsorship • Regional approach - buy-in from Traditional Owners, local businesses, government agencies, • External partners which have genuine input into the program, • On the ground support - mentoring, training in regards to the farming process and business principles and cycles, • Quality of delivered product supported by professional services as per the commercial supply contract and MOU, • Strong financial control supported by well kept, up to date and accurate financial data allowing for strong financial (cashflow) management, • Recruiting Indigenous people who are well matched to the jobs available and the seasonal nature of these harvest/processing/administrative tasks.

F. CASE STUDY ASSESSMENT AND INSIGHTS

The latest advice (Nov. 2017) from this project confirms that the venture has completed its first two annual harvests of Beche-de-mer to date under the MOU arrangement between the community and TSPL. The oyster project is still in development stages to its first harvest.

The following table assesses the Warruwi Community Case Study across the IRG's 11 Strategic Principles and 5 Aspirations.

The assessment finds there is significant risk, when compared to the commercial objectives, in the lack of commercial capacity of the Indigenous microbusinesses and the Yagbani Aboriginal Corporation. The alliance with the joint commercial, Tasmanian Seafoods, will be critical to address capacity gaps as the venture develops.

CASE ASSESSMENT	Assessment Criteria				
<p>Warruwi Community, South Goulburn Is., NT</p> <p>(YAC – Yagbani Aboriginal Corporation)</p>	<p>1. Process to determine an Indigenous catch and allocation model.</p>	<p>2. What legislation, policy, management strategies impact on Indigenous cultural fishing practices.</p> <p>3. What fishing and non-fishing practices impact on Indigenous cultural fishing practices, including identifying key iconic species.</p> <p>4. Identify models to incorporate TFK into Aquatic Resource Management (ARM) processes.</p>	<p>5. Address barriers to full and effective Indigenous involvement in decision making forums</p> <p>6. Improve the involvement of Indigenous people in all levels of Aquatic Resource Management (ARM)</p> <p>7. Identify cost benefit of effective Indigenous consultation & extension</p>	<p>8. New models to ascertain the value of Indigenous fishing/seafood</p> <p>9. Management measures to boost Indigenous access to commercial resources</p> <p>10. Commercial initiatives to boost Indigenous interests in sector</p> <p>11. Explore new benefit sharing models re fisheries use & access (e.g. employees)</p> <p>12. Opportunity for Indigenous branding of seafood and fisheries product</p>	<p>13. Build capacity of mainstream sectors to effectively engage with Indigenous fishing sector and communities</p> <p>14. Improve capacity of /opportunity for Indigenous people to engage in R&D, fisheries management, & commerce</p> <p>15. Building understanding of fishing industry structures and processes</p> <p>16. Research outputs and information are available in appropriate formats and language (extension and adoption)</p>
Principles	1. Primacy	2. Cultural Practice	3. Self Determination	4. Economic Development	5. Capacity Building
<p>1. Recognition of People</p> <p>2. Fishery access and value</p> <p>3. Governance, representation & management</p> <p>4. Resourcing for involvement</p> <p>5. Capacity – and empowerment</p> <p>6. Agency capacity re TFK, expertise, and processes</p> <p>7. Customary rights, TFK & TFM</p> <p>8. Awareness of impacts on environment and traditional harvest</p> <p>9. Fishery management to improve access, protection and bring TFK and TFM input to processes</p> <p>10. Increased value - economic, social, cultural, trade, health, environmental</p> <p>11. Benefit sharing</p>	<ul style="list-style-type: none"> Indigenous communities and fishers are directly involved in governance and decision making at all levels from commencement of the venture. Indigenous fishers are primary partners and beneficiaries in the social, cultural and commercial design and investment of the venture All Beche-de-mer aquaculture licenses in the NT are owned by the community's venture partner (Tasmanian Seafoods). However Indigenous primacy over the intertidal fishery zone means all Beche-de-mer aquaculture seeding; ranching, and harvest must require the full participation of the Indigenous parties to the venture in all decisions. 	<ul style="list-style-type: none"> This is a commercial venture based on modern aquaculture techniques under NT fisheries legislation. Cultural fishing practices TFK/TFM related to Beche-de-mer have not been practiced for 50 years. The venture will enable economic development in community hands and relevant TFK will be integrated. A secure commercial return will enable reinvestment in new farming techniques using TFK and TFM which can be then be leveraged via Indigenous brands in consumer markets. 	<ul style="list-style-type: none"> There are no barriers to the full and effective Indigenous involvement in decision making. But the venture cannot proceed without the direct engagement of the commercial fisheries license holder. There will be need for ongoing training programs (governance, operations, technical etc.) to overcome specific skill and knowledge gaps as they arise. Need to raise capacity Indigenous fishery community, in order that they are able to readily respond to issues raised by TOs/Venture partners. The venture needs a final cost benefit to demonstrate viability – may be proprietary to venture parties. 	<ul style="list-style-type: none"> The venture's market value model and sales proposition are quite clear and demonstrated by the ongoing investment of Tasmanian Seafoods. The business model enables the full and increased commercial participation of the Indigenous community. The Strategy documents confirm that Indigenous people will contribute 50% of the Board of the venture. Indigenous seafood market collateral and branding are proposed by the venture where appropriate to market preferences. 	<ul style="list-style-type: none"> This case study venture is fundamentally based on joint commercial objectives that will build and employ the capacity (cultural and service) of the Indigenous community. But the Indigenous partners are struggling to secure cultural governance and commitment. The venture will engage Indigenous people at Director, employee and expert levels of management and commerce and in all structures and processes. The venture has a number of specific measures to engage Indigenous people in R&D, but these must be further developed and embedded in all levels of the venture.
Summary Conclusions					
A. Fishery Model – enterprise, management and legislative	<ul style="list-style-type: none"> Indigenous fishers are involved in design, setup and management. Indigenous people will have access to economic and social benefits but not 100% of rights to the catch. 	<ul style="list-style-type: none"> Legislative model is defined - cultural and commercial models are evolving. It is uncertain whether there are any positive or adverse impacts from the venture on TFK & TFM practices. 	<ul style="list-style-type: none"> The Warruwi Community will need to monitor NT aquaculture legislation and implications for decision-making rights. The JV offers a stable platform to support self-determination and build capacity 	<ul style="list-style-type: none"> The venture model targets commercial market objectives in existing Asian markets based on Indigenous-brand seafood. Both Indigenous governance and branding are integrated into the venture. 	<ul style="list-style-type: none"> Business model is based on stable legislation Main stream seafood is engaged - capacity development platform available Engagement in sector processes and industry R&D is uncertain
B. Gap analysis	<ul style="list-style-type: none"> The YAC venture has recently begun operations, but primacy has been established. Capacity of Yagbani AC to enable adequate corporate governance 	<ul style="list-style-type: none"> The project relies on non-traditional ranching techniques. TOs microbusinesses have control over the harvest activities of the venture. 	<ul style="list-style-type: none"> Potential gap in governance and technical knowledge and skills of Indigenous people Potential gap (governance and capacity) of YAC to lead venture commercially. 	<ul style="list-style-type: none"> Potential gap re commitment to venture business plan and investment Lack of Indigenous start-up capital Lack of trained microbusiness people 	<ul style="list-style-type: none"> Potential gaps re capacity of Indigenous community, suitability of the clan microbusiness structures, and engagement of Indigenous people in R&D outputs.
C. Preferred development pathway defined	<ul style="list-style-type: none"> Pathway to primacy is established. 	<ul style="list-style-type: none"> The documented strategy enables the pathway for use of TFK / TFM, but this venture is proprietary, and details are not available. 	<ul style="list-style-type: none"> Development pathway details specifically about self-determination, are unknown 	<ul style="list-style-type: none"> The venture has not yet established and documented a clear and professional economic development pathway 	<ul style="list-style-type: none"> The development pathway for building joint capacity for engagement, management, R&D, etc, is not yet developed – refer extension strategy.
D. Case Study Extension Strategy	<ul style="list-style-type: none"> To be developed with the venture partners per the Joint Venture Agreement – Yagbani Aboriginal Corporation, and Tasmanian Seafoods P/L. The Beche-de-mer venture has completed two harvests to date (Nov. 2017). Clear Vision & Mission are emerging to ensure preference to and embed Indigenous engagement, but lack of financial capacity by the community may delay ramp up of the venture. Due to the evolving nature of the venture, it is uncertain yet as to whether any specific measures or commercial initiatives will be created to boost Indigenous access to commercial resources within or outside the venture 				



5. CASE STUDY 2. EAST ARNHEM COMMUNITIES, NT

A. BACKGROUND

1. CONTEXT

Indigenous people have lived in north-east Arnhem Land for at least 50,000 years. Referring to themselves as Yolngu (Yolŋu), or 'people', they belong to five main clan groups that have intermarried and are closely related, culturally and linguistically - Gumatj, Rirratjingu, Djapu, Madarrpa and Dhalwangu.

East Arnhem Land region covers 34,000 sq. km of north east Northern Territory. Yolŋu people are the traditional owners of this country. In 2008 the Blue Mud Bay case (High Court of Australia) gave traditional owners control of all access to their coastal waters between the low and high tide mark along 80% of the Northern Territory coastline.

Figure 34. Map of Indigenous Communities in East Arnhem Land



Image source: Australian National University, ANU.edu

The township of Nhulunbuy, 600 kilometres east of Darwin, is the main commercial and service centre of East Arnhem Land.

Garngirr Aboriginal Fishing Corporation is based only on Yolngu Clans.

Figure 35. East Arnhem Sea Country

The joint Garngirr Fishery concept is not something new, it has worked in the past'.

Terry Yumbulul, Garngirr Fishing Aboriginal Corporation, 2015



Image source: EastArnhemLand.com

2. EARLY FISHERIES ACTIVITY

Yolngu people have a proud history of harvesting seafood for local use, as well as for export trade. Commencing in the 16th Century they harvested Beche-de-mer as part of the northern Australian Beche-de-mer trade with Macassan traders based in Sulawesi, for the China market.

The idea for an Indigenous Fisheries Network has been the dream of senior Yolngu elders, including Chairman Terry Yumbulul, for many years.

In 2011, NT Fisheries commenced development of a community and business network to support and enhance the establishment of Indigenous seafood related enterprise in the East Arnhem region. Over the succeeding five-year period the agency has supported development of the network concept and provided core funding (~\$1.5 million) to achieve this. An early initiative was the development of a mullet fishery as a basis to further engage Indigenous people in fishery activities.

The incorporation of a commercially-focussed Indigenous corporation (Garngirr Fishing Aboriginal Corporation - GFAC) in May 2013 was a significant milestone for the evolving Indigenous community fishery network. The decision by network members to establish a cooperative was informed by research into other regional fishery case studies – notably the Commercial Fishermen’s Cooperative (NSW).

Taking a proactive approach, GFAC is seeking to lead the community and prepare for the commencement of cooperative commercial wild catch fishery business. As the central cooperative entity, GFAC offers the potential to be a critically important step in the strategy to develop the Indigenous fishing industry in East Arnhem Land. The costs associated with the Co-op should therefore be viewed as a long-term investment into the regional economy, building an industry and providing support for industry, business and employment.

A Co-operative (Co-op) is an autonomous association of persons who co-operate for their mutual social, economic, and cultural benefit. Cooperatives include non-profit community organisations and businesses that are owned and managed by the people who use its services (a consumer Cooperative).

Ambrose Business Solutions,
2016

Working with Traditional Owners, NT Fisheries support has included technical training and skill development in fishing and aquaculture. This coordinated regional business network approach is seen as a positive step towards increased participation by Yolngu in the seafood industry. Firstly, as a pilot initiative, this venture now continues as a standalone business.

3. REGIONAL CONTEXT

East Arnhem Regional Council is the local government body for the Communities of Angurugu, Galiwin'ku, Gapuwiyak, Gunyangara, Milingimbi, Milyakburra, Ramingining, Umbakumba and Yirrkala. Five of the Council's nine communities are located on islands which exacerbates the remoteness and challenges of providing services.

At June 2011, the estimated resident population of East Arnhem was 9,098 people, which represented 3.9% of the Northern Territory's population. Females comprise 50% of the Regional population which is 91% Indigenous. The median age of East Arnhem people is 25 years, below the averages for NT (31 years) and Australia (37 years).

NEED FOR NEW REGIONAL ECONOMY

The region's industrial history commenced in the 1960s when Rio Tinto Ltd established a bauxite mine and alumina refinery on Gove Peninsula near Nhulunbuy. Since then the regional economy has been built on mining and administration, supported by local manufacturing, construction and retail sectors. The November 2013 decision by Rio Tinto to cease refinery operations at Gove has led to a significant decline in the economic viability of East Arnhem region.

A regional economic strategic review (**McTaggart, et al., 2014**) identifies the primary opportunity to build on the existing platform of infrastructure as a relatively low-cost host for investment in the resources, tourism and primary industries sectors. Capital injections (~\$13 million) by Rio Tinto and the NT Government have funded incorporation of a new regional Not-for-Profit enterprise (Developing East Arnhem Land) to develop and diversify the regional economy as it transitions to a broader industry base.

REGIONAL DEVELOPMENT PRIORITIES

The Region's 2015-20 Strategic Plan identifies its strongest economic opportunities will come from the following industries:

- Tourism, Arts and Culture,
- Government and Defence,
- Agriculture, Fisheries, Forestry and Related Business,
- Health, Research, Education and Training,
- Infrastructure, Transport and Logistics,
- Regional Aviation,
- Minerals and Energy Resources.

INDIGENOUS PARTICIPATION

The East Arnhem regional development model will be driven by private investment, including Indigenous corporations.

<p>East Arnhem Strategy 2015-20</p>	<ul style="list-style-type: none"> • Support Growth through advocacy and planning particularly for Indigenous Enterprises 	<p>The proposed strategy highlights the need for a greater focus on agriculture and fisheries.</p>
<p>Objectives</p>	<ul style="list-style-type: none"> • Gather information that supports efficient business and investment decisions • Plan for relevant jobs and services based on market demand and traditional owner aspirations • Advocate to government and industry about regional growth opportunities • Encourage investor engagement with the region 	<p>Development of Arnhem Land as a centre for aquaculture investment using existing infrastructure as a reason to trial export-led programs, particularly with the interest of Asian countries. But the strategy also warns there are no easy “investor ready” opportunities in East Arnhem, involving the agriculture and fisheries sector. New fishery and aquaculture ventures will take time to emerge and become sustainable.</p>
<p>Tasks</p>	<ul style="list-style-type: none"> • Undertake surveys, studies and mapping exercises to understand longer-term economic opportunities • Undertake modelling to support major grant applications by key NFPs in the region • Support the development of social/economic, land and area plans to identify opportunities for growth • Conduct meetings with Government (i.e. MPs in Canberra) and industry leaders to profile the region and advise of potential investment opportunities • Identify prospective investors and industry leaders • Host investor meetings and site visits • Build a strong database of potential investors. 	<p>Published reviews also suggest the lack of authorised access (to Indigenous lands) and transport linkages into East Arnhem has constrained investment in the region’s primary industries, including agriculture, horticulture and aquaculture investments.</p> <p>The literature review notes a number of unsuccessful regional attempts to introduce small-scale ventures based around</p>

Indigenous participation, including fishing, crocodile farming, and a small-scale abattoir. These failures have been attributed to a variety of commercial viability and regionally specific reasons. The economic strategic review report identifies a need to base future business ventures and opportunities on robust business cases, and to recognise obvious risks and infrastructure deficiencies.

4. COMMUNITY CAPACITY

The following analyses is based on aggregated Census 2011 data (with 2016 trends where available) from ten Indigenous Location (ILOCs), together with analysis from the NT Medicare Locals (**Medicare, 2011**).

- ILOC 70600201 - Gapuwiyak, NT,
- ILOC 70600202 – Gapuwiyak Outstations, NT,
- ILOC 70600401 - Galiwinku, NT,
- ILOC 70600402 - Marthakal Homelands exc. Galiwinku, NT,
- ILOC 70600501 - Gunyangara, NT,
- ILOC 70600502 - Nhulunbuy, NT,
- ILOC 70600701 - Milingimbi, NT,
- ILOC 70600702 - Ramingining, NT,
- ILOC 70600703 - Ramingining -Milingimbi Outstations, NT,
- ILOC 70600801 - Yirrkala, NT.

INDIGENOUS PEOPLE OF WORKING AGE

Based on the 2011 Census, for the East Arnhem Community:

- There is a total of 6,446 Indigenous people, 50% of whom are female, and 91% are Indigenous. The median age is 25 years (median age for all NT people is 31 years), and less than 1% were born overseas.

- Working age (15-64 years) males and females comprise 64% of the community, compared to 60% for all Indigenous people in Australia,
- Working ages of people in these ILOCs are slightly younger than the average age profile for Indigenous working people across Australia,
- 9% of working age males and 12% of working age females (Community average of 11%) hold a qualification, well below the 25% average for all Indigenous Australians.

East Arnhem 2011	Males	Females	Total	%	Indigenous Australia	%
Total People	3,193	3,253	6,446		548,367	
<u>Working Age Groups</u>						
15-24 yrs	610	606	1,216	30%	105,644	32%
25-44 yrs	945	1,025	1,970	48%	139,474	42%
45-64 yrs	436	495	931	23%	85,378	26%
Total working age	1,991	2,126	4,117	100%	330,496	100%
<u>% of People in Community</u>						
15-24 yrs	19%	19%	19%		19%	
25-44 yrs	30%	32%	31%		25%	
45-64 yrs	14%	15%	14%		16%	
Total working age	62%	65%	64%		60%	
% with qualification	9%	12%	11%		25%	

- Available 2016 Census data indicate East Arnhem population trends since 2011 Census. East Arnhem Indigenous population has grown from 6,446 to 6,809, with growth for males (6.2%) slightly greater than for females (5.1%). In the working age groups, strongest growth is in the 15-24 years and 45-64 years cohorts, for both males and females. Both have grown strongly at above 11%. Overall, the number of working age people across all ages has grown 10%, from 4,117, to 4,531 people.

QUALIFICATIONS OF INDIGENOUS PEOPLE

- 8% of East Arnhem males and 9% of females hold Post Graduate or Bachelor qualifications,
- Compared to national Indigenous trends there are fewer qualified people in this community in the younger cohorts and more in the older cohorts,
- In the 15-24 years' age cohort, the East Arnhem community has a shortage of qualified males (only 5% available) and females (7%) compared to respective national Indigenous averages for males (18%) and females (18%).

East Arnhem 2011	Post Graduate	Bachelor	Diploma	Certificate	Total	%	Indigenous Australia	%
<u>Males</u>								
15-19	0	0	0	0	0	0%	1,956	5%
20-24	0	0	0	9	9	5%	5,006	13%
25-34	0	0	3	50	53	28%	10,010	26%
35-44	0	3	3	40	46	25%	9,910	26%

45-54	3	3	9	49	64	34%	7,679	20%
55-64	3	3	3	6	15	8%	4,025	10%
Total	6	9	18	154	187	100%	38,586	100%
	3%	5%	10%	82%	100%			
Females								
15-19	0	0	3	3	6	2%	2,145	5%
20-24	0	3	4	6	13	5%	5,809	13%
25-34	0	6	3	51	60	24%	12,068	28%
35-44	3	3	3	52	61	25%	11,371	26%
45-54	0	6	16	39	61	25%	8,327	19%
55-64	3	0	13	31	47	19%	3,719	9%
Total	6	18	42	182	248	100%	43,439	100%
	2%	7%	17%	73%	100%			

EMPLOYMENT

- 28% of the Indigenous people are employed (30% male and 26% female), compared to the national Indigenous average of 40%,
- 57% of those directly employed are in private employment, compared to a national Indigenous average of 75%,
- CDEP participation in this community is 7% for the working age population, compared to a national average of 1.5%.

East Arnhem 2011	Males	Females	Total	%	Indigenous Australia	%
People employed	554	574	1,128	100%	147,717	100%
Gov't employees	160	208	368	33%	33,310	23%
Private employees	345	303	648	57%	110,513	75%
Other	49	63	112	10%	3,894	3%
Unemployed	226	143	369		30,460	
Outside the labour force	1,180	1,396	2,576		155,889	
CDEP	191	103	294	7%	4,838	1.5%
% employed in population	30	26	28		40%	

SEA RANGERS

Since 2002, NT Government has increased its support for Indigenous Rangers on land and sea country. There are 16 Indigenous Marine/Sea Ranger groups distributed along most of the NT coastline. Approximately 72% of the NT's mainland coastline and 92% of the island coastline has been declared Aboriginal land down to the low water mark.

Most ranger programs are funded primarily from the Commonwealth Government's "Caring for our Country" program (NT Fisheries, 2014).

In East Arnhem, NT Fisheries provides funds and support to three ranger groups:

- Yugul Mangi Land and Sea Rangers (Ngukurr),
- Anindilyakwa Sea Rangers (Groote Eylandt),
- Gumurr Marthakal Sea Rangers (Elcho Island).

Marine/Sea Rangers assist with local monitoring and surveillance of coastal waters, as well as providing a visual presence on the water. Increasingly,

Marine/Sea Rangers play an important role in educating both Indigenous and non-Indigenous fishers.

MENTORING

NT Fisheries employed an Indigenous Fishing Mentor (initially funded by DEEWR) who has been working with up to 30 Indigenous people in the region. These trainees have been taught various seafood industry skills.

SEAFOOD FREIGHT LOGISTICS

Gove Airport is 13 km from Nhulunbuy. AirNorth, (the only operator) manages daily flights to Gove from Cairns and Darwin, with related freight forwarding options. Freezer road freight from Nhulunbuy to Darwin is a 1,040 km trip. The Katherine – Nhulunbuy section (730 km) is mostly through Indigenous lands, and mostly unsealed, corrugated loose gravel, and in some places heavy with bull dust. A regular barge service with freezer capacity also operates to Darwin and is used by most commercial fishers.

B. THE FISHERY

1. ACCESS AND PURPOSE

GFAC is seeking to develop an Indigenous commercial fishery in wild harvest marine waters of East Arnhem Land, NT.

The fishery will be operated by Indigenous fishers using contemporary fishing practices on commercial licences owned by the Indigenous community trust. In the near time, GFAC is looking to purchase a coastal line licence and at least one Aboriginal coastal licence.

Over the longer term GFAC's vision is for the Trust to own multiple licences including Mackerel, Barramundi, Mud crab and Coastal line licences.

Under section 183 of the NT Fisheries Act Regulations, Aboriginal people living on Aboriginal lands may hold a licence to catch and sell fish. However, there are restrictions. Aboriginal coastal licensees cannot:

- Hold a commercial fishing licence in conjunction with this licence,
- Use any gear other than that specified on the licence,
- Target certain managed species - that is, Barramundi, King threadfin salmon, Spanish mackerel, Beche-de-mer and Mud crab
- Catch more than 5,000 kg per year.

The purpose of these limitations is to distinguish Aboriginal coastal licences from existing commercial fishing activities.

The Aboriginal coastal licence provides an opportunity for economic development and sustainable commercial activities in coastal Aboriginal communities and is seen as a way of introducing Aboriginal community members to the seafood industry at a low start-up cost. Aboriginal Coastal Licences only apply for people who want to sell fish, as a basis for small scale commercial licence to support economic development.

As described in the GFAC Business Plan (**Ambrose Business Solutions, 2016 April**), GFAC will have two primary sources of business - internal and external users as well as potential program and investment partners. Internal users such as emerging Indigenous clan-based micro fishing businesses will need to know how the GFAC Cooperative can work for them so that the co-op gains their buy-in as well as encouraging full support from each of the respective regional Indigenous communities in East Arnhem.

For external users, this report will act as an introduction to GFAC. Marketing and promotions will need to be continually planned to ensure stakeholders are aware of the GFAC Cooperative and its achievements.

While an important element to the success of the Co-op is the ongoing support of Government agencies, the central role of the GFAC Cooperative must be marketed to other potential program and investment partners such as the Australian and NT Governments, industry associations and potential philanthropists. On this level, marketing should emphasise the policy, industry and community objectives and social dividends that are created from economic collaboration.

Under GFAC's cooperative approach to collective processing and supply chain management through to Darwin seafood markets, Indigenous fishers will train Yolngu fisherman, employ them in the business, and reinvest profits in equipment and community benefits. Two NT Government programs will support human capacity development:

- The Indigenous Fishing Mentor Program will provide on-country training in fishing practices and support economic participation in the seafood industry.
- The Indigenous Marine Training Program will enable targeted training to accreditation at three levels - Certificate II and III in Compliance, Certificate II in Fishing Operations, and Certificate II in Measuring and Analysis.

2. PROJECT DEVELOPMENT AND BUSINESS PLANNING

Ambrose Business Solutions (a Darwin based financial advisory firm) was retained to facilitate initial GFAC meetings to assist and guide strategic thinking and outcomes for the network team of Indigenous people and NT agency representatives. Indigenous leaders in the region worked together and with Ambrose to create the East Arnhem Indigenous Fisheries Steering Committee that would help gain community support and provide direction to the program. The Committee and project team lead a project process through three development stages (**Ambrose Business Solutions, 2016 April**):

PLANNING AND RESEARCH

This first stage involved:

- Consultation with key stakeholders,
- Establishment of processes and protocols, roles and responsibilities,
- Establish client's capacity, clarifying expectation and outcomes,
- Development of project plan, client session outlines and timetable,
- Preparation and research, resource requirements and availability.

WORKSHOP AND BUSINESS MODEL PHASE

This second stage involved a series of on-site meetings, consultation, facilitation and mentoring challenges, and analyses, in the following areas:

- Business feasibility, financial projections, costing, pricing and business modelling,
- Business structure and related procedures,
- Human resource requirements, staff requirements and related staffing models including outsourced arrangements.

REPORTING PHASE

The final stage focussed on plan documentation and reporting, including:

- Capture of facilitated client session outcomes,
- Consolidation of research phase,
- Reporting and documentation,
- Preparation of forecast,
- Recommendations, and
- Presentation of business plan and client feedback session.

3. FISHERY PARTNERS

The five Yolgnu clans are the Traditional Owners and primary proponents of this proposed fishery. Their partners in this project (NT Fisheries, 2013) so far have included NT Department of Primary Industry and Fisheries, NT Department of Business, and Northern Land Council.

Other linkages are likely to include the NT Seafood Council, Charles Darwin University, Northern Territory Departments of: Education and Training; Local Government; Housing & Regional Development, Indigenous Business Australia, East Arnhem Shire, Darwin Fish Market, NT Seafood Council and a range of Indigenous support programs from Australian and NT Governments.

4. VISION AND OBJECTIVES

VISION

GFAC's vision is to provide a platform to assist develop, market, support and coordinate a fishing cooperative in the Gove region which will be self-sustaining and economically viable, and which will create real jobs with real incomes. GFAC intends that Individual family fishing businesses will be recognised and supported under a cooperative corporate entity.

NT Fisheries is a key contributor to the success of this vision. The agency aspires to enable Aboriginal Territorians contributing at all levels of fisheries management, sustainable development and ecological protection. Their East Arnhem Project is an overarching framework which is supporting GFAC and other Indigenous development initiatives.

MISSION

The GFAC will provide a platform to assist develop, market, support and coordinate a fishing cooperative in the Gove region which will be self-sustaining and economically viable, and which will create real jobs with real income.

NT Fisheries investment in the East Arnhem network will:

1. Support the establishment of Yolngu commercial fishing and aquaculture industry in the East Arnhem region,
2. Coordinate education and training in seafood and small business skills for Yolngu,
3. Establish a local coordination point to handle enquiries and provide direct assistance to developing businesses,
4. Increase the supply of locally produced seafood from Yolngu fishing businesses in the East Arnhem region,
5. Enable better Yolngu consultation on the management of East Arnhem fisheries resources.

OBJECTIVES

The overall objectives of this project are to:

1. Facilitate the establishment of a network, endorsed by East Arnhem Traditional Owners, dedicated to assisting Yolngu people to become involved in the seafood (commercial fishing and aquaculture) industry in the East Arnhem region,
2. Produce a 3-year strategic plan and a workplan for the development of fisheries and aquaculture in the East Arnhem region,
3. Develop a program of coordinated education and training in seafood and small business skills that is available to the East Arnhem community,
4. Assist the establishment of at least three Yolngu owned seafood businesses within three years,
5. Increase the supply of locally produced seafood from Yolngu fishing businesses in the East Arnhem region.

C. COMMERCIAL ARRANGEMENTS

1. COMPETITIVE ADVANTAGES

The Garngirr Fishing Aboriginal Corporation case study highlights a number of competitive challenges, in line with the fact that it will operate in a competitive commercial seafood market. There are up to a dozen existing seafood retail businesses in Gove, and Aboriginal Coastal Licence holders in other communities looking to sell their seafood harvest into Darwin markets.

In the longer term, commercial competition will create harvest and supply efficiencies and lower unit costs at GFAC, underpinning a culture that is commercially tuned to compete and remain viable beyond its local regional East Arnhem seafood market.

GFAC has identified other collaborative and competitive issues and advantages related to seafood supply and related services to local communities. A number of other microbusinesses and community-based co-operatives are developing in communities both within and outside of the east Arnhem region.

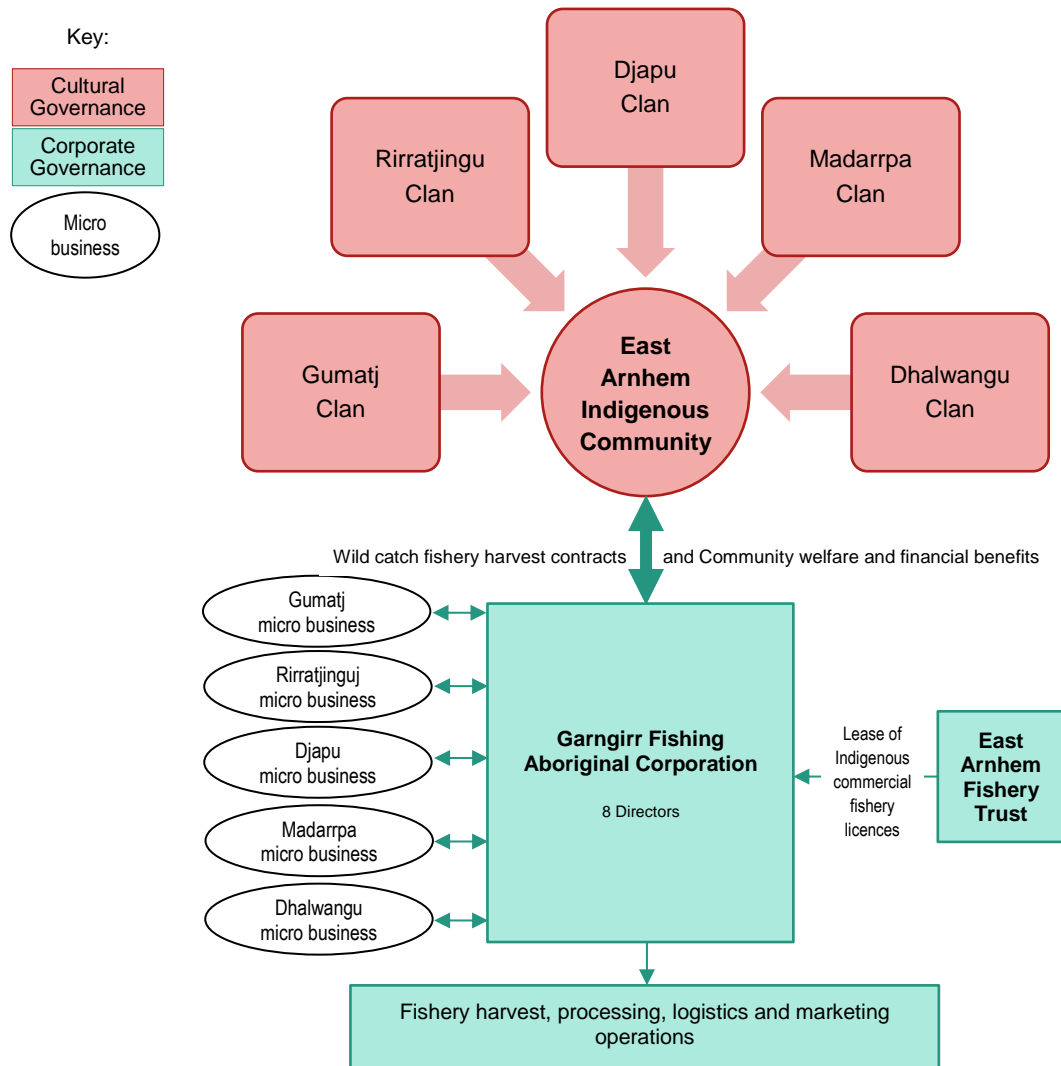
In addition, Gove based seafood enterprises are increasing their services to regional communities and regularly visit them to sell fresh and frozen seafood.

2. GOVERNANCE

The Community cooperative governance and business model has been adopted for this case study as the most likely attractive pathway to the creation of fishery businesses in the East Arnhem region. It combines and balances cultural and corporate governance. The following figure presents the governance model adopted by the community.

This community approach is a hybrid of the Family Governance Model identified in chapter 2, section D (Governance Models).

Figure 36. East Arnhem Case Governance Model



The cooperative model forms an extremely important part of a strategy to develop a fishing industry in the region. The GFAC Cooperative will support Indigenous people to participate in a competitive business environment. GFAC will bridge this gap by providing business support in the form of operational assistance along with training and mentoring. This will reduce one of the key barriers to real employment opportunities in the region.

Garngirr Fishing Aboriginal Corporation was registered in May 2013. It currently has 12 directors and 19 Members, all of whom reside in the East Arnhem region.

The main purpose of the corporation (as recorded in the Office of the Registrar of Indigenous Corporations (ORIC)) is to develop Indigenous fishing. It is a registered deductible gift recipient.

Ambrose Business Solutions was also engaged by Garngirr and NT Fisheries to deliver 'governance' training to the East Arnhem Indigenous Fisheries Steering Committee.

3. MARKETS

The new commercial fishery cooperative (based on the GFAC entity) will be the first receiver of the seafood harvest from Indigenous fishers. The coop will aggregate, process and store the catch initially to supply the Arnhem Land Progress Association (ALPA) and Darwin Fish Markets.

ALPA has offered to purchase all produce not suitable for the open market such as mullet, turrum, trevally and queen fish to supply all their stores across all NT and Qld. Established in 1972 (ALPA, 2016) as a cooperative of community stores in Arnhem Land, ALPA has grown to be one of the largest Aboriginal Corporations in Australia. It operates in 27 remote locations across the NT and Qld, contributing to the development of local economies and Indigenous business wherever they operate.

4. HUMAN CAPACITY

The prefeasibility study (Ambrose Business Solutions, 2016 April p. 20), funded by a federal agency, identified five staff positions that need to be filled within the new GFAC organisation, for it to operate effectively as a seafood cooperative. These positions are Cooperative manager/coordinator/supervisor, Marketer, Mentor/trainer, Bookkeeper, and Administrator.

In addition, each microbusiness will require a number of clan/family members to undertake different responsibilities in relation to those clan microbusinesses.

GFAC expects to arrange further training and development programs to support local Indigenous entrepreneurs (Yolngu owned and operated micro fishing and seafood businesses). The Business Plan also notes there may be opportunity for an apprenticeship program funded and supported by commercial fishers that lease the mackerel, barramundi and mud crab licences from the trust.

5. VIABILITY

The prefeasibility study of the East Arnhem Network - Garngirr Fishing Aboriginal Corporation case was developed by Ambrose Business Solutions. In summary, the study found that the venture offers limited scope for commercially sustainable business in the immediate future, primarily due to:

- An overall lack of business capacity in the community,
- Low levels of infrastructure available to the venture in the region,
- Poor and ongoing lack of access to capital,
- Poor support in the regions in respect of business training, mentoring and business advice,
- Lack of commercial reputation and branding for seafood products from East Arnhem,

- Severe weather – East Arnhem is subject to tropical/monsoonal weather patterns which will impact on supply chain efficiency,
- Lack of trained professional employees that are available to the venture,
- Potential lack of commitment by the East Arnhem community to the venture.

Financial models indicate the aggregate wild catch harvest will need to be in the order of 93 tonnes (harvest weight) of seafood per year to ensure financial viability. At March 2017, GFAC was yet to secure a license to fish commercially.

STRATEGY

While the GFAC Cooperative is not to be a “for profit” enterprise, it is still critical that it is “for commercial surplus” so that financial and non-financial benefits accrue to the East Arnhem community.

There are two key elements for the financial strategy of the GFAC Cooperative:

Firstly, it must secure funding to purchase infrastructure, fishery licences, boats and equipment for fishing, processing and running the business. As at March 2017, funds have been sourced to begin small scale fishery and seafood operations.

The second element of the financial strategy is to ensure that the organisation remains financially viable and sustainable. The long term financial viability of the organisation is based around the premise that the costs of the Co-operative will ultimately be met by the microbusinesses and sponsors with limited government support. However, the feasibility study indicates that GFAC run commercial fishing operation costs will be larger than revenues for some time and the business will therefore require government support for a minimum of five years.

Tight financial control will be important to ensure that the organisation makes progress in building its financial capacity internally. Good financial management will also be critical in developing financial trust and goodwill with employees and the Indigenous community that it serves.

ASSUMPTIONS

The Financial models developed by the business consultants included a number of operating and capital assumptions:

- Revenues of \$100,000 per year could be generated by the Trust through leasing the fishery licences to commercial fishers,
- Operating revenue will cover administration costs, depreciation, power, fuel, repairs and maintenance and wages,
- Grant funding from governments will be applied towards other costs (training, mentoring, rent and accounting fees) and made available over a minimum of five years. NT Government has guaranteed non-cash support, including in-kind support through fishing mentors and training for 5 years to establish and support GFAC.
- Remote Community Development Programs (CDP) funding will be available,
- Payment to fisherman is based on exertion of labour (no sit-down monies) and performed according to a commercial supply contract,
- The organisation will be a non-profit organisation for taxation purposes.

- Capital Expenditure will include minimum capital outlay as follows:
 - Fishing Licences \$1,700,000
 - Administration set-up \$50,000
 - Caretaker accommodation \$50,000
 - Shop infrastructure (bait, tackles) \$50,000

The lease/purchase of fishing boats will be carried by the individual microbusiness owners. Funding will be sourced with the assistance of the GFAC Cooperative from government and private sources. Each boat is anticipated to cost \$40,000.

FUNDRAISING REQUIREMENTS AND STRATEGY

The Business Plan assumes that funds will need to be sourced from government agencies, statutory bodies, corporate partners, corporate sponsors and philanthropic organisations.

In order to secure this funding, these funding organisations will need to see that project risks are identified and managed, and that the outcomes of GFAC align with the strategic objectives of the funding bodies (i.e. letters of support, MOUs, etc). These potential opportunities should only be pursued as bonus income items, rather than being relied upon as recurring income to run the business.

GFAC should also consider more expansive joint ventures with commercial fishers interested in partnerships to harvest, process and export commodity or branded “East Arnhem” seafood. Such joint ventures offer mutually advantages employee training and recruitment options in such a remote geographic location.

According to ORIC reports, GFAC has no recorded income or assets as at June 2015, although this report may not accurately reflect the true financial position.

D. CASE STUDY ASSESSMENT AND INSIGHTS

The following table assesses the East Arnhem Case Study across the IRG’s 11 Strategic Principles and 5 Aspirations.

The assessment finds that the venture has the opportunity to contribute directly to seafood supply in a sustainable and commercially prudent approach. Achieving these commercial objectives will contribute to sustainable solutions for existing community and social concerns.

But there are substantial gaps to be overcome, especially in regional infrastructure, lack of capital, low levels of fishing and seafood chain skill, and governance challenges across multiple participating communities.

This case study was added (at the decision of the PI) as an option to enhance NT community learnings. While the amount of data collated for this case was less than anticipated as there was no dedicated project officer available for most of the time, the addition of this case has enhanced overall project learnings.

CASE ASSESSMENT	Assessment Criteria				
<p>East Arnhem Community, NT (GFAC-Garngirr Fishing Aboriginal Corporation)</p>	<p>1. Process to determine an Indigenous catch and allocation model.</p>	<p>2. What legislation, policy, management strategies impact on Indigenous cultural fishing practices. 3. What fishing and non-fishing practices impact on Indigenous cultural fishing practices, including identifying key iconic species. 4. Identify models to incorporate TFK into Aquatic Resource Management (ARM) processes.</p>	<p>5. Address barriers to full and effective Indigenous involvement in decision making forums 6. Improve the involvement of Indigenous people in all levels of Aquatic Resource Management (ARM) 7. Identify cost benefit of effective Indigenous consultation & extension</p>	<p>8. New models to ascertain the value of Indigenous fishing/seafood 9. Management measures to boost Indigenous access to commercial resources 10. Commercial initiatives to boost Indigenous interests in sector 11. Explore new benefit sharing models re fisheries use & access (e.g. employees) 12. Opportunity for Indigenous branding of seafood and fisheries product</p>	<p>13. Build capacity of mainstream sectors to effectively engage with Indigenous fishing sector and communities 14. Improve capacity of /opportunity for Indigenous people to engage in R&D, fisheries management, & commerce 15. Building understanding of fishing industry structures and processes 16. Research outputs and information are available in appropriate formats and language (extension and adoption)</p>
Principles	1. Primacy	2. Cultural Practice	3. Self Determination	4. Economic Development	5. Capacity Building
<p>1. Recognition of People 2. Fishery access and value 3. Governance, representation & management 4. Resourcing for involvement 5. Capacity – and empowerment 6. Agency capacity re TFK, expertise, and processes 7. Customary rights, TFK & TFM 8. Awareness of impacts on environment and traditional harvest 9. Fishery management to improve access, protection and bring TFK and TFM input to processes 10. Increased value - economic, social, cultural, trade, health, environmental 11. Benefit sharing</p>	<ul style="list-style-type: none"> Indigenous communities and fishers are directly involved in governance and decision making at all levels from commencement of the venture. Indigenous fishers are primary partners and beneficiaries in the social, cultural and commercial design and investment of the venture TOs and Indigenous entities own the wild catch fishery licenses in the NT that the venture will rely on. Commercial use of the Indigenous line fishery license is limited to selected species and TACCs. Aboriginal Coastal License – excludes 5 species but can catch most others. Major limitations are access to capital and assets, appropriate licences (coxwains) and surveyed vessels. The venture requires the full participation and agreement of Indigenous parties in all decisions. 	<ul style="list-style-type: none"> The NT Fisheries Management Act does not restrict Cultural fishing practices. GFAC aims to provide a cultural voice in fisheries management discussions in the East Arnhem region. 	<ul style="list-style-type: none"> GFAC evolved from an East Arnhem Indigenous representative committee. There are no apparent barriers to full and effective engagement of Indigenous communities in decision making for the proposed wild catch fishery venture. GFAC will increase Indigenous participation in the commercial industry and provide an Indigenous voice in industry discussions. 	<ul style="list-style-type: none"> NT Government amended the Aboriginal Coastal License to improve the commercial viability of businesses and provide economic development opportunities for remote communities. GFAC provides cultural representation and support communities to establish micro fishing businesses. There now exists a unique seafood branding opportunity for product that is Indigenous caught from East Arnhem Land. 	<ul style="list-style-type: none"> GFAC will increase Indigenous participation in the fishing industry. The venture is reliant on developing local capacity to administer the business and operate the fishing licenses. GFAC plans to contribute to industry meetings and decisions through participation in industry associations.
Summary Conclusions					
A. Fishery Model – enterprise, management and legislative	<ul style="list-style-type: none"> Indigenous fishers are involved in design, setup and management. Indigenous people will have access to 100% of the catch. 	<ul style="list-style-type: none"> GFAC will enable a cultural governance structure to provide representative voice and decision making across the East Arnhem region. 	<ul style="list-style-type: none"> GFAC will enable an Indigenous governance structure (set by an Indigenous Board) to provide representative voice and decision making across the East Arnhem region. 	<ul style="list-style-type: none"> The model provides a supportive structure to foster Indigenous economic development. 	<ul style="list-style-type: none"> GFAC has strong Indigenous leadership and representation of people from across East Arnhem. Business model is designed to support regional participation and foster Indigenous economic development.
B. Gap analysis	<ul style="list-style-type: none"> The venture is close to operational launch, but primacy has been established. 	<ul style="list-style-type: none"> A formal consultation process for GFAC input to management discussions is yet to be established. 	<ul style="list-style-type: none"> GFAC struggles to establish operations, and business direction 	<ul style="list-style-type: none"> The venture is yet to begin operations on a viable basis, so the scale and scope of economic development gaps is unknown. 	<ul style="list-style-type: none"> There is a lack of local capacity to manage business operations.
C. Preferred development pathway defined	<ul style="list-style-type: none"> Pathway to primacy is established. 	<ul style="list-style-type: none"> Cultural Practice pathway defined 	<ul style="list-style-type: none"> Self Determination pathway defined 	<ul style="list-style-type: none"> A staged development to build capacity and test operating environment. 	<ul style="list-style-type: none"> GFAC will contract external expertise to assist business operations and develop capacity to for Indigenous management responsibility.
D. Case Study Extension Strategy	<ul style="list-style-type: none"> To be developed by the partners and communities in the venture. As at Nov. 2017, the venture had acquired a reef line licence and was fishing commercially and supplying seafood markets. A Cooperative Model has been established for the venture, to operate as the leading operational hub of remote harvest and supply activities by a number of community entities, and potentially, clan microbusinesses. The extension strategy needs to be designed once this network structure has been clarified and established. There needs to be a clear understanding of who is participating and contributing to the venture before any Extension Strategy is designed and implemented. Due to the evolving nature of the venture, it is uncertain yet as to whether any specific measures or commercial initiatives will be created to boost Indigenous access to commercial resources within or outside the venture 				

6. CASE STUDY 3. UGAR IS.COMMUNITY, TORRES STRAIT

A. BACKGROUND

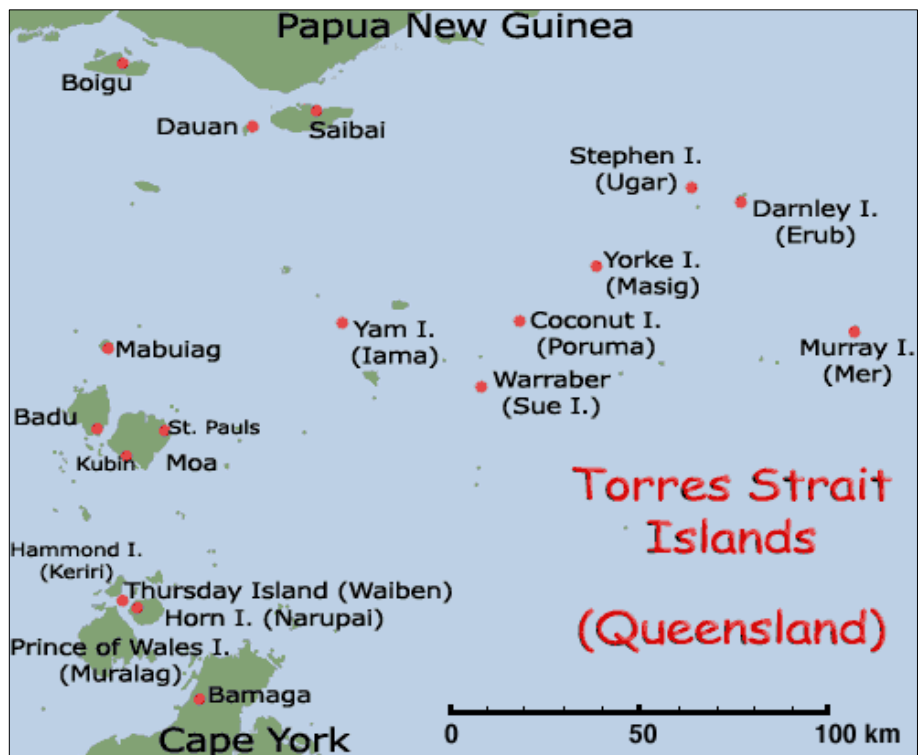
1. THE CASE

Ugar Island (also known as Stephen Island) is a small remote island situated in the eastern section of Torres Strait, 189 klms north east of Thursday Island. The island is near the northern tip of the Great Barrier Reef, and North West of Mer (Murray) Island and Erub (Darnley) Island.

There are 18 Indigenous fishery communities located across the islands in the Strait. Ugar is a representative example of the fishery development issues and opportunities faced by these communities operating in Commonwealth waters.

The Torres Strait comprises over one hundred islands and reefs which have evolved from various geological origins. Ugar Island has a volcanic origin, with rich fertile soil and dense tropical vegetation. The 37 ha island rises to 30 m at its highest point. It is fringed by coral reefs with its shoreline surrounded by fish traps constructed using basalt rock boulders.

Figure 37. Map of Torres Strait and Location of Ugar Island



In the last 25 years, archaeologists working in the Torres Strait have found evidence of human settlement dating back 2,500 years. The traditional language of Ugar Island is Meriam Mir, of which there were formerly two dialects. The Ugar community comprises nine traditional islander family clans, many of whom aspire to develop their fishery resources and use their existing fishery skills. According to Torres Strait mythology, Kos & Abob were two brothers living on

Erub Island. After a conflict the brothers went to other islands including Ugar Island, where they introduced stone fishing weirs and their common language.

The Ugar Community's Native Title determination was effective on 9th December 2014. Native Title rights vested in Ugar Ged Kem Le Zeuber Er Kep Le (Torres Strait Islanders) Corporation RNTBC. This corporation holds and administers these rights for the Ugaram Le Traditional Land and Sea Owners, many of whom do not reside on the island. The native title rights of the Ugar Island people include exclusive possession of the land on Ugar and Campbell Islands and Pearce Cay, and non-exclusive use of the water and things in it for personal, domestic or non-commercial communal needs.

A complex system of traditional laws and customs provides for different land parcels on Ugar Island to be owned by different families. Therefore, clarity regarding land boundaries is important to driving economic development. Engaging with Traditional Owners who no longer live on the island compounds and slows the decision-making processes regarding economic development. In 2015 a Torres Strait Regional Authority (TSRA) project resolved long-standing delays for important infrastructure developments, including a helipad upgrade, fuel bowser accessible to marine craft and land vehicles, desalination plant, community hall, and fishery freezer and seafood processing area.

Figure 38. Ugar Island and Township with Traditional Stone Weir Fish Traps



At June 2016, the KAF had five directors and approximately 90 members. The primary purpose of the corporation is land management.

The island has a range of facilities including a helipad, regional council office, state school (years pre-prep to year 7), guest house (5 rooms), barge ramp, pier (small craft and passengers), council workshop and compound, sporting facilities - indoor and outdoor multipurpose courts, Islanders Board of Industry and Service (IBIS) store, Anglican Church, water utilities, health centre,

communications tower, electric power facility based on diesel generation, and three TSIRC accommodation units.

2. KOS & ABOB FISHERIES INC.

Kos & Abob Fisheries Torres Strait Islander Corporation (KAF) is a Queensland based incorporated entity (ABN 28 295 118 440) registered in 2011.

The company is owned and controlled by the Ugar Community. It operates a fishing, seafood processing and distribution business based on Ugar Island with trade and export sales via Cairns agents. The company works with other regional communities (Masig – Yorke Is., Mer – Murray Is. and Erub - Darnley Is.) to undertake fishery, processing and distribution operations. The eastern waters are the most productive in the strait for Beche-de-mer, and fin fish.

Figure 39. Ugar Island's Main Marine Access



There are a number of attractive commercial fishery opportunities currently available to KAF, including significant underutilised catches in local commercial seafood species (finfish, lobster, beche-de-mer, etc) proximate to Ugar Island waters. Based on its experience to date, KAF has some capacity for harvest and early stage handling of seafood, as well as established supply processing and chain arrangements with seafood buyers in North Queensland.

Currently the business is run using voluntary input from directors and staff – the community wants it to be financially sustainable and run as a viable commercial seafood business.

Market and supply chain partners (e.g. Cairns based seafood processors and exporters) have been instrumental to date in financing and supporting KAF fishing and seafood operations. But this arrangement is now constraining the economic growth prospects for Ugar fisheries and the community and is also limiting optimal use of Ugar Island's marine resource.

KAF now seeks to expand its commercial seafood business over the next 2-5 years and beyond. It proposes to progressively increase its harvests of underutilised available commercial species, and to establish a more professional and independent supply chain arrangement, based on a new business plan that will position KAF as the investor and operator in the seafood chain.

3. REGIONAL CONTEXT

TORRES STRAIT FISHERY TREATY

In February 1985, the Australian Government ratified the Torres Strait Treaty with Papua New Guinea. The treaty aims to protect the traditional way of life and livelihood of the traditional inhabitants of the Torres Strait and adjacent coastal areas of the two countries. Treaty members collaborate to manage and share specific commercial fisheries in a zone within the Strait. A joint organisation, the Protected Zone Joint Authority (PZJA) manages all treaty matters. Australia's interests in PZJA fisheries are managed jointly by AFMA and QDAF.

FISHERIES

Both traditional and non-traditional inhabitants participate in commercial fisheries. All finfish fishery capacity building in Torres Strait commercial fisheries is reserved for traditional inhabitants only with no new licences issued to non-traditional inhabitants. Some fisheries only have traditional inhabitant fishers. Non-traditional inhabitants can access the fisheries by purchasing or leasing an existing Torres Strait Fishing Boat licence (transferable) or by leasing a Torres Strait Sunset Fishing Boat licence. Non-traditional inhabitants also require a Torres Strait Master Fisherman's licence to operate a commercial fishing vessel.

The TSRA facilitates the leasing of Torres Strait Islander owned finfish quota which generates revenue, that is used to provide a fishery benefit in the community. The level of leasing is reviewed annually and as the Islander sector increases its catch, the amount of quota they lease out will be reduced. Commercial fishing is the most important economic activity in the Protected Zone for traditional inhabitants; it provides significant opportunities for financial independence of traditional inhabitant fishers.

A priority of the PZJA is to enhance opportunities for traditional inhabitants through participation in all sectors of the fishing industry. Fisheries incorporated into the zone are finfish (including barramundi), crab, trochus and Beche-de-mer. Other Torres Strait commercial fisheries subject to parts of the treaty are the Prawn Fishery, Rock Lobster Fishery, Spanish mackerel sector of the Finfish Fishery, Pearl Shell Fishery, and the non-commercial turtle and dugong fisheries. Recreational fishing, charter fishing and aquaculture are managed under Queensland law.

TRADITIONAL FISHERIES

Generally, men fish from boats away from the home island, and women and children fish on fringing reefs around islands. The most common subsistence fishing activities include hand lining for finfish and diving for many species including tropical rock lobster. Other means of harvest include spearing, reef gleaning (gathering of benthic macro invertebrates in intertidal areas), cast-netting, traditional hunting for dugong and turtle, gill netting, trolling from

dinghies, crabbing, seining, jigging for squid, hand collection for species such as trochus, and trading with Papua New Guinea.

Figure 40. Ugar Island Reef, Jetty and Seafood Processing Site



WILD CATCH FISHING LICENCES

There are three types of fishing boat licences in the Australian jurisdiction of the Protected Zone: Traditional Inhabitant Boat (TIB) Licence, Torres Strait Fishing Boat Licence, and Torres Strait Sunset Fishing Boat Licence.

Commercial fishers operating under sunset licences are also subject to additional management restrictions including 10-mile fishing exclusion zones around the four main eastern finfish islands (Mer, Erub, Masig, and Ugar) to reduce risks of localised over-fishing around these communities. There are also limits on the number of lines to be used, and the number of hooks per line. There are commercial size limits and some no-take species.

Nearly all of the Torres Strait Finfish Fishery commercial catch has been taken from the Eastern area of Torres Strait with the Erub, Mer, Masig and Ugar Island communities located close to the most productive fishing locations. Finfish species are also taken opportunistically throughout Torres Strait however the focus of the commercial fishery has been the eastern region.

PROCESSORS

There are three classes of processor/carrier boat licences that control how commercial seafood products are carried and/or processed in the Torres Strait:

- Class A licences allow a licenced primary vessel of a fishing operation to receive, carry and process product from its associated tenders.
- Class B licences allow vessels to carry and process product caught by licensed fishing vessels. A Class B license does not allow the licensee to

change the form of the product - whole dead lobster cannot be tail or frozen whole fish cannot be collected and then filleted.

- Class C licences allow the licence holder to collect product from vessels that are licensed to fish in the Torres Strait and change the state of the product. However, unlike the other classes of processor/carrier licences the vessel cannot be used to fish commercially.

INFRASTRUCTURE AND SERVICES

The Community owns the Ugar Island seafood freezer (7 tonne capacity) and processing facility. Ugar Island has no fixed aircraft landing strip and is reliant on charter helicopters. KAF has submitted a proposal to TSRA seeking investment in infrastructure to support fishery development – 24-hour fuel bowser, seafood loading and transfer vessel (8-10 m), and an expanded processing capacity.

4. COMMUNITY CAPACITY

Census 2011 data (with 2016 trends where available) is presented below from one Indigenous Location (ILOC): ILOC 30700503 – Ugar (Stephens) Island.

- There is a total of 70 (47 in 2011) Indigenous people – 41 (59%) are male.
- Working age (15-64 years) males and females comprise 51% of the community, compared to 60% for all Indigenous people in Australia,
- Working ages of people in Ugar Island are, on average, slightly older than the national average age profile for Indigenous working people,
- Seventeen percent of working age males and 17% of working age females hold a qualification, slightly below the 25% national Indigenous average.

Ugar Island 2016	Males	Females	Total	%	Indigenous Australia	%
Total People	41	29	70		548,367	
<u>Working Age Groups</u>						
15-24 yrs	4	3	7	19%	105,644	32%
25-44 yrs	10	8	18	50%	139,474	42%
45-64 yrs	4	7	11	31%	85,378	26%
Total working age	18	18	36	100%	330,496	100%
<u>% of People in Community</u>						
15-24 yrs	10%	10%	10%		19%	
25-44 yrs	24%	28%	26%		25%	
45-64 yrs	10%	24%	16%		16%	
Total working age	44%	62%	51%		60%	
% with qualification	17%	17%	17%		25%	

QUALIFICATIONS OF INDIGENOUS PEOPLE

- Certificates are held by 3 males (25-34 yrs) and 3 females (55-64 yrs).

Torres Strait 2011	Post Graduate	Bachelor	Diploma	Certificate	Total	%	Indigenous Australia	%
Males								
15-19	0	0	0	0	0	0%	1,956	5%
20-24	0	0	0	0	0	0%	5,006	13%
25-34	0	0	0	3	3	100%	10,010	26%
35-44	0	0	0	0	0	0%	9,910	26%
45-54	0	0	0	0	0	0%	7,679	20%
55-64	0	0	0	0	0	0%	4,025	10%
Total	0	0	0	3	3	100%	38,586	100%
	0%	0%	0%	100%	100%			
Females								
15-19	0	0	0	0	0	0%	2,145	5%
20-24	0	0	0	0	0	0%	5,809	13%
25-34	0	0	0	0	0	0%	12,068	28%
35-44	0	0	0	0	0	0%	11,371	26%
45-54	0	0	0	0	0	0%	8,327	19%
55-64	0	0	0	3	3	100%	3,719	9%
Total	0	0	0	3	3	100%	43,439	100%
	0%	0%	0%	100%	100%			

EMPLOYMENT

- 50% of Ugar Indigenous people are employed (50% male and 50% female), compared to the national Indigenous average of 40%,
- 38% of those directly employed are in private employment, compared to a national Indigenous average of 75%,
- CDEP participation in this community is 8% for the working age population, compared to a national average of 1.5%.

Torres Strait 2011	Males	Females	Total	%	Indigenous Australia	%
People employed	8	8	16	100%	147,717	100%
Gov't employees	5	4	9	56%	33,310	23%
Private employees	6	0	6	38%	110,513	75%
Other	3	4	1	6%	3,894	3%
Unemployed	4	0	4		30,460	
Outside the labour force	4	5	9		155,889	
CDEP	3	0	3	86%	4,838	1.5%
% employed in population	50	50	50		40%	

FINFISH INVESTMENT REQUIRED

The TSRA has initiated a Finfish Action Plan to guide and encourage future Torres Strait investment aimed at increasing the value of the fisheries under 100% traditional ownership and increasing Traditional Inhabitant participation. Benefits from increased participation will come from economic development flowing from businesses catching, processing, selling fish, or marketing locally sourced finfish.

A TSRA report (**Bodsworth, 2016**) identified the capacity gaps in Torres Strait finfish fisheries. The report identifies the major hard and soft infrastructure gaps as,

- Freezers, ice machines, processing and filleting,
- Boats, motors, gear, fuel,
- Funding,
- Mentoring and training in key skills – fishing, gear use, maintenance, confidence, processing
- Small Business skills across community
- Information access - fishing, prices, guidelines, etc.

The report also notes that related businesses might include viable finfish focussed freezer operations in communities’ or other businesses supporting fishing through the sale of bait and fishing gear; or repairs to fishing equipment such as dinghies and outboard motors.

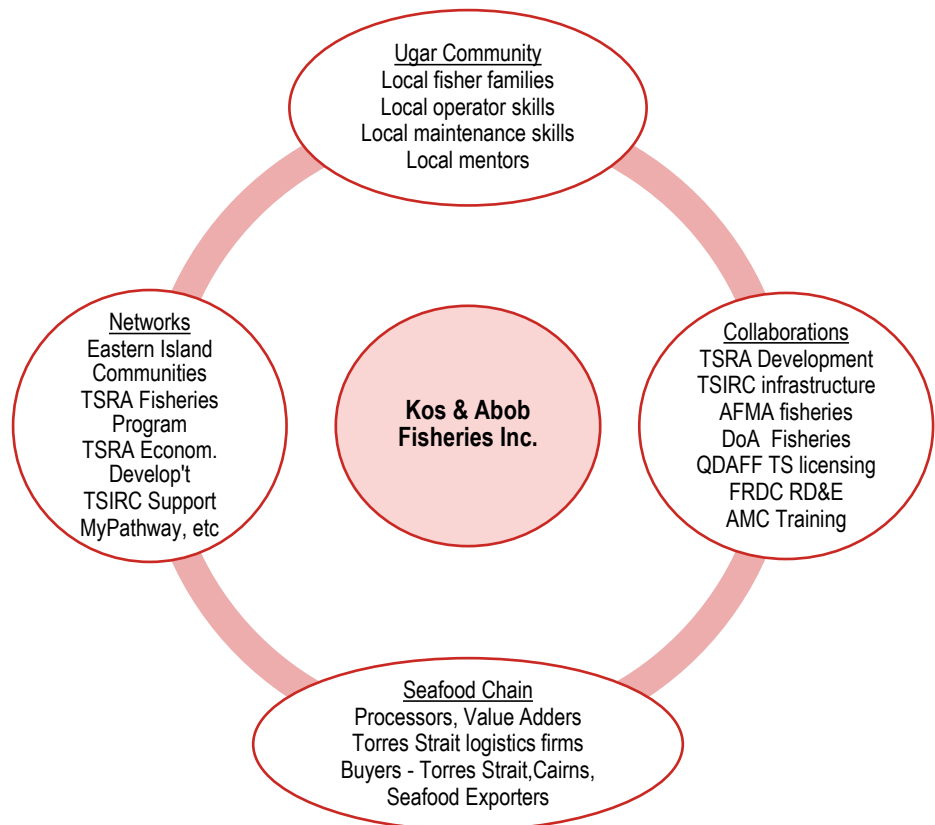
B. FISHERY COMMUNITY PARTNERS

Kos & Abob Fisheries will continue to work with its community, local fisher families, and other regional island communities.

SUPPLY CHAIN AND NETWORKS

The following figure presents the range of networks and collaborations held by the Ugar Community.

Figure 41. Kos & Abob Fisheries - Organisational Landscape



SEA RANGERS

In 2015 the Ugar *Working on Country Program* (DEWHA, TSRA, TSIRC) developed a sustainable ranger service - Ugaram Rangers - that is responsible for environmental management through activities such as weed and feral animal control. There are two permanent rangers on the island.

C. THE PROPOSED FISHERY

KAF is targeting three commercial seafood groups – Beche-de-mer, Tropical Rock Lobster, and Finfish – Mackerel, Coral trout, Emperors, and Barramundi cod.

The KAF fishery development strategy is based on securing exclusive use and processing commitment to the harvest from the marine environment and home waters within a 10 NM (nautical mile) distance from the shore of Ugar Island. This “home waters” concept is currently in discussion by AFMA and all other eastern island communities, as a pathway to better manage island fisher resources for each local community’s benefit and to ensure the optimum utilisation of the harvest at local processing and infrastructure points.

Since 2005, the real GVP of the fisheries has changed substantially, driven largely by the emergence of the middle-class consumer in China. While catch records are based on a voluntary reporting regime (and therefore under-recorded) the trends in the Torres Strait fisheries are:

Figure 42. Ugar Island’s Target Fisheries

Fishery	Status 2016
1. TSBDMF – Torres Strait Beche-de-mer Fishery	This fishery is sustainable (ABARES 2017) for Black teatfish, Prickly redfish, and white teatfish. Beche-de-mer are abundant in eastern reefs and cays. For 18 other species of BDM, current catch rates are unlikely to lead to overfishing. For Sandfish there is uncertainty regarding the illegal, unreported and unregulated (IUU) catch and stock status. They are collected by hand when reef-walking or while free-diving. A ban on hookah use effectively limits the harvest to a depth of 10 m.
2. TSTRLF – Torres Strait Tropical Rock Lobster Fishery	This fishery is sustainable (ABARES 2017). The fishery is primarily a dive-based hand collection fishery. Some communities use a hookah (air supply system) and others collect on shallow reef flats. The catch is landed as either whole lobster (typically live) or lobster tails, with a clear trend toward live landed product over the last decade. Real price increases for live lobster (falling for tails) are maintaining a GVP of ~\$13 m.
3. TSFF - Torres Strait Finfish Fishery	The TSFF Spanish mackerel and Coral trout fisheries are sustainable (ABARES 2017). Most commercial finfish fishing occurs in north-east waters around Ugar, Erub, Masig and Mer Islands. The data confirms that these commercial species in Torres Strait waters are underutilised. <u>Spanish mackerel:</u> Spanish mackerel are targeted by trolling in small dories. <u>Coral trout:</u> Targeting is via hook and line. Coral trout make up ~90% of catch weight (TIB + non-TIB), with <u>Barramundi cod and rock cods</u> (5%), and <u>Emperors and Trevally</u> (3%). Since 2005, the real GVP of the TSFF has declined from over \$3 m to \$1.2 m. Real prices have fallen slightly but the catch has declined markedly. Fishery effort peaked in the early 2000s, but has fallen due to surrender of TVH fishing licences, government-funded structural adjustment, freezer logistical difficulties. Removal of the ban on live exports in Torres Strait has done little to increase exports primarily due to the high cost of logistics from remote islands.

The Beche-de-mer fishery has increased from a harvest of 6.5 tonnes in 2005 to 71.1 tonnes in 2015 (AFMA data). Overfishing is now leading to area closures around some island communities.

The Tropical Rock Lobster fishery has declined from 600 tonnes in 2005-06 to around 380 tonnes in 2015-16. However, the GVP of the fishery has fallen only marginally to ~\$134 million as the product mix has shifted from a trade dominated by lobster tails (80%) to a trade now dominated by live lobsters (90%) over the same time frame.

In the Finfish fishery, the catch of Spanish mackerel has declined from over 200 tonnes in 2005-06 to currently less than 100 tonnes. The Coral trout catch has declined from 190 tonnes in 2003-04 to around 80 tonnes in 2006-07, and down at less than 40 tonnes in 2015-16 (AFMA).

1. HARVEST FAMILY MICROBUSINESSES

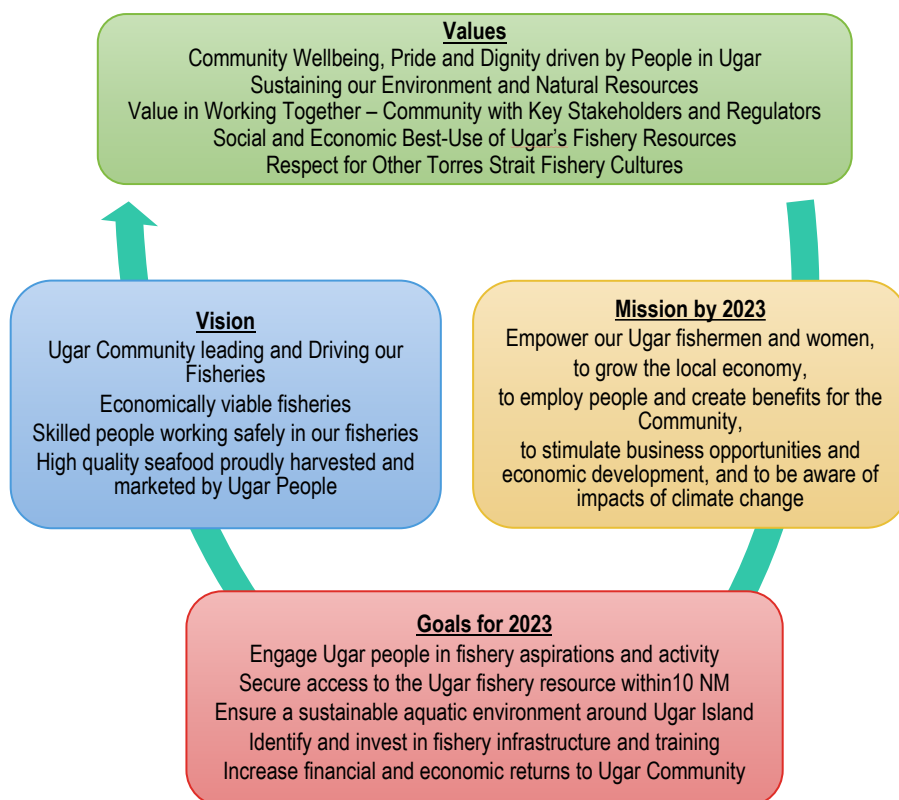
The harvest of fish will be undertaken by community members and others approved by the community, based on family group microbusinesses. These groups, all of which exist today, are at the heart of the viability of the Community's business plan.

Each family business will be contracted to KAF to harvest a minimum volume by species in an agreed timeframe. KAF will offer incentives to these family businesses based on harvest volume and quality, delivered on time.

2. VISION AND STRATEGY

The company's Vision, Mission, Values and Goals are presented as follows:

Figure 43. Kos & Abob Fisheries Inc. - Strategic Framework



3. KEY ISSUES AND CHALLENGES

The Ugar Community and KAF have identified their major fishery development issues and options as follows:

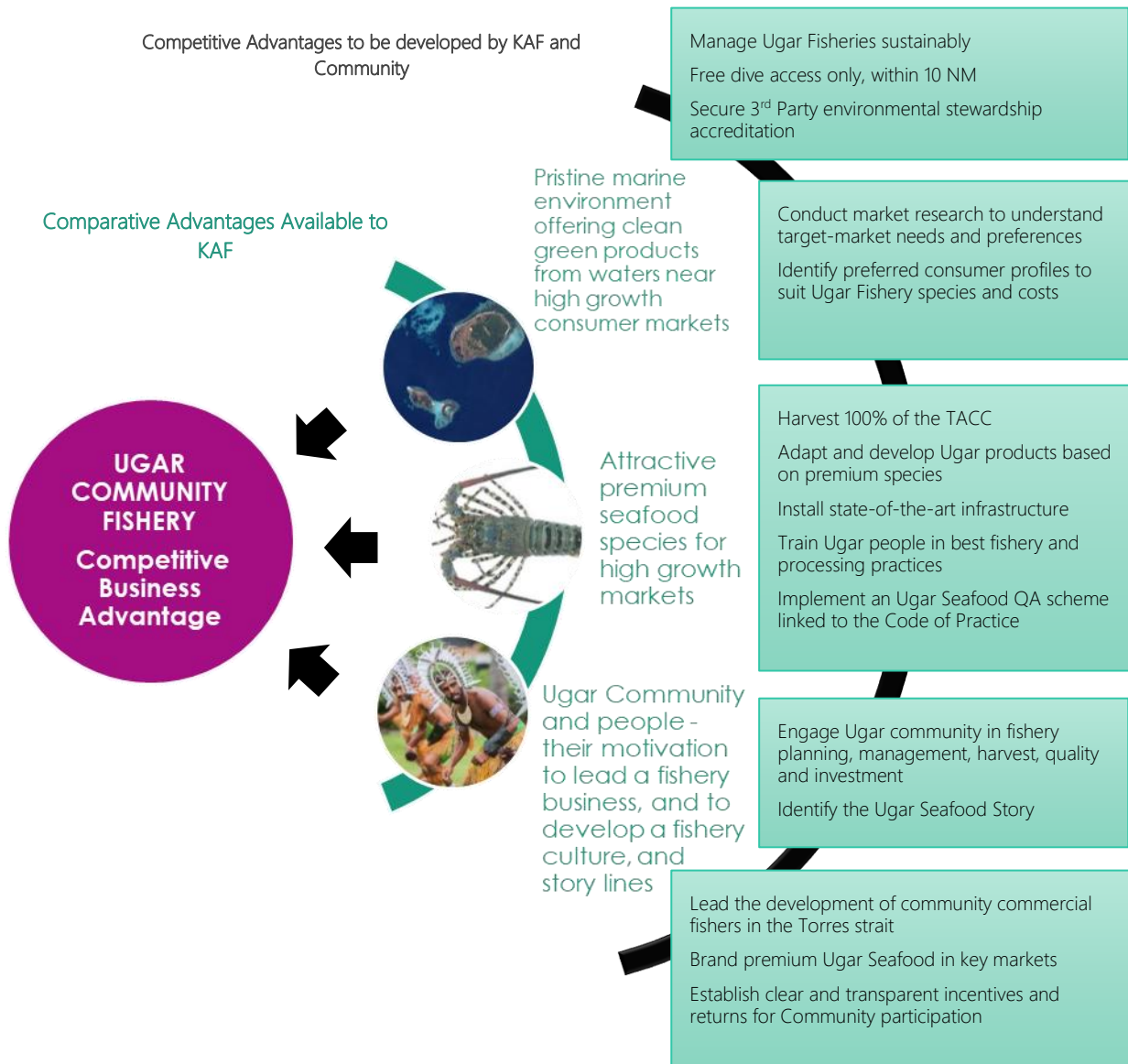
Figure 44. Kos & Abob Fisheries - Development Issues

Issues	Issue Drivers and Impacts
1. Significant Unharvested Commercial Catch	<ul style="list-style-type: none"> • The Beche-de-mer fishery is underutilised in Ugar's home waters. • The Tropical Rock Lobster fishery is harvested mostly in waters on the western side of Torres Strait. KAF will only have a minor role in this fishery. • The FinFish fishery is underutilised in Ugar's home waters.
2. Community engagement	<ul style="list-style-type: none"> • KAF cannot achieve its commercial fishing harvest forecasts without the ongoing participation of local Ugar fishers, and input from KAF staff and supply chain and maintenance staff. • The harvest will also be assisted through the participation of fishers from other eastern island communities - Erub, Musig and Mer.
3. Zonal Harvest Strategy	<ul style="list-style-type: none"> • Current Fishery management arrangements manage each fishery in the 81,000 square kilometre Torres Strait at the stock level, not the island community level. Marine resources, community development aspirations, infrastructure and investment capacity vary greatly from island to island, community to community. • As a small community with abundant marine and reef resources, Ugar seeks to enhance local fishery management, by incentivising sustainable harvest and local asset utilisation, and differentiating its market offer to target seafood consumers. • Ugar must work with other eastern island communities to establish Community Home Fishery Zones to enhance local management and economic and social returns. • KAF lacks the suite of incentives, tools and procedures to develop its business to its potential.
3. Fishery Infrastructure	<ul style="list-style-type: none"> • Lack of key infrastructure limits the development of commercial fisheries. • Ugar is poorly equipped to leverage commercial returns from the harvest. • Key infrastructure elements required to enable the Ugar Community to achieve its aspirations include items for monitoring environmental sustainability, harvesting, processing, freezing, drying, and managing inventory risks on-site and in relation to transshipment to Cairns.
4. Skills	<ul style="list-style-type: none"> • Development of Ugar Fishery resources will require enhanced skills for individuals, and members of harvest and service microbusinesses. • Professional training and local mentoring will be required for all fishery and seafood activities and service inputs, including marine resource management, fishing and diving, vessel and equipment maintenance, quality assurance, processing, drying, freezing, logistics, finance, planning management and marketing.

4. COMPETITIVE ADVANTAGES

Consultation has identified what the community believes to be its Competitive Business Advantage, and a range of commercial fishery development strategies that KAF intends to pursue on behalf of the community members. These are presented as follows:

Figure 45. Kos & Abob Fisheries - Competitive Advantage Analysis



D. COMMERCIAL ARRANGEMENTS

With the community's support, KAF manages the harvest and processing of local seafood harvested from Ugar Island's home waters. The bulk of the catch has traditionally been landed locally at the Ugar Island wharf, with a small portion landed at Erub Island wharf 26 klms distant.

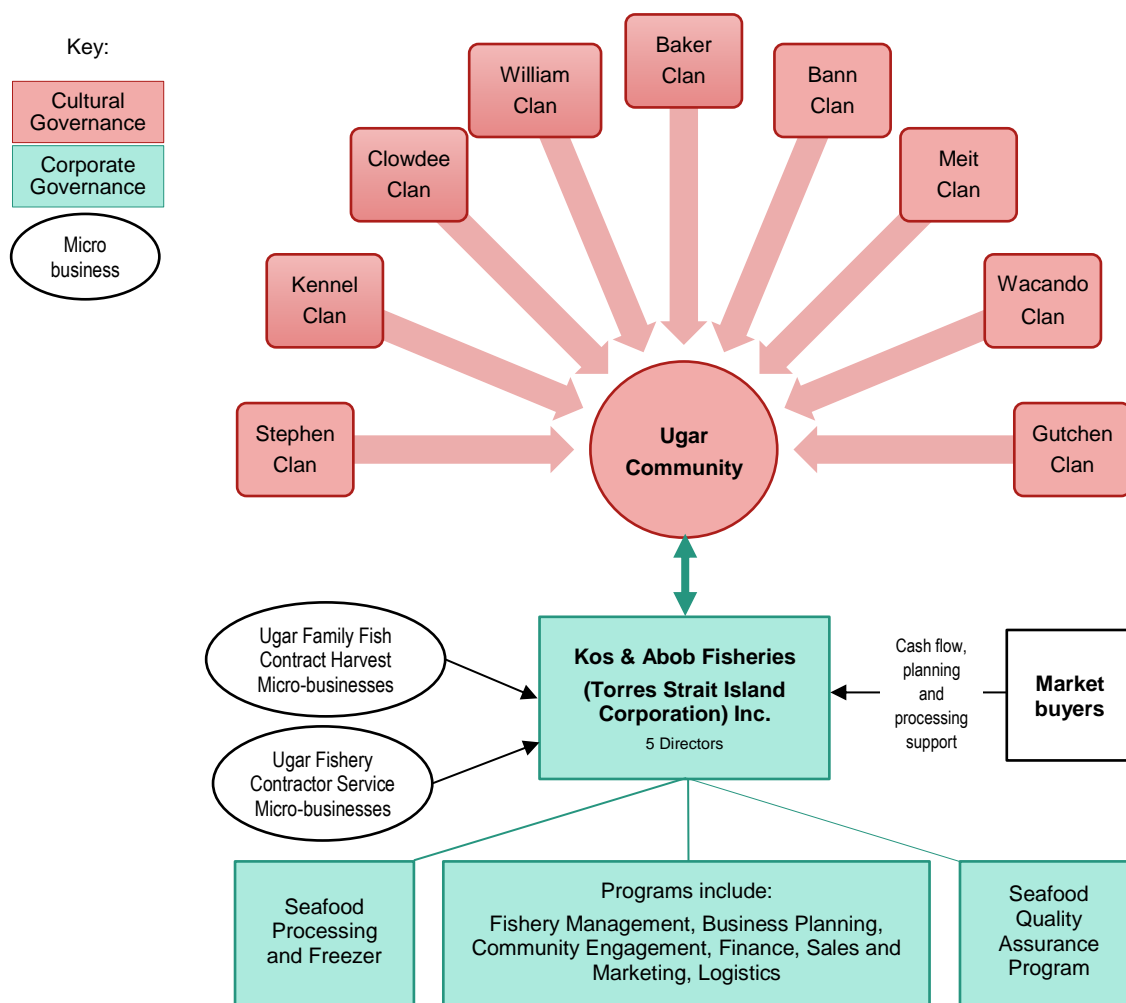
Subject to the species harvested, processing and freezing is undertaken locally at Ugar Island ready for bulk shipment on a monthly barge to Cairns. Ugar Island is limited in its air and sea freight logistics options, especially regarding time-critical products. All other eastern islands receive a weekly barge from Cairns.

1. GOVERNANCE

The KAF board will develop formal commercial networks in the community to service its business plan. The following figure summarises these governance

partnerships. This community approach is a hybrid of the Family Governance Model identified in chapter 2, section D (Governance Models).

Figure 46. Kos & Abob Fisheries - Governance, Networks and Collaboration



2. VIABILITY

In the 2015-16, KAF received seafood revenue of around \$80,000, all from sales of Beche-de-mer. This result left the business and the community with a small loss for the year. The company's latest business plan forecasts annual turnover of more than \$500,000 based on increased harvest, more species, improved infrastructure and improved seafood chain quality management. This would reward fishers, deliver a profit in KAF, and create a community cash dividend.

E. CASE STUDY ASSESSMENT AND INSIGHTS

The following table assesses the Ugar Island Community Case Study across the IRG's 11 Strategic Principles and 5 Aspirations. The assessment finds that all the necessary building blocks across the Case Assessment Criteria are in place. The primary gaps are the lack of skilled people and business systems to drive viability.

CASE ASSESSMENT	Assessment Criteria				
<p>Ugar Island Community, Torres Strait</p> <p>(KAF – Kos & Abob Fisheries Inc.)</p>	<p>1. Process to determine an Indigenous catch and allocation model.</p>	<p>2. What legislation, policy, management strategies impact on Indigenous cultural fishing practices.</p> <p>3. What fishing and non-fishing practices impact on Indigenous cultural fishing practices, including identifying key iconic species.</p> <p>4. Identify models to incorporate TFK into Aquatic Resource Management (ARM) processes.</p>	<p>5. Address barriers to full and effective Indigenous involvement in decision making forums</p> <p>6. Improve the involvement of Indigenous people in all levels of Aquatic Resource Management (ARM)</p> <p>7. Identify cost benefit of effective Indigenous consultation & extension</p>	<p>8. New models to ascertain the value of Indigenous fishing/seafood</p> <p>9. Management measures to boost Indigenous access to commercial resources</p> <p>10. Commercial initiatives to boost Indigenous interests in sector</p> <p>11. Explore new benefit sharing models re fisheries use & access (e.g. employees)</p> <p>12. Opportunity for Indigenous branding of seafood and fisheries product</p>	<p>13. Build capacity of mainstream sectors to effectively engage with Indigenous fishing sector and communities</p> <p>14. Improve capacity of /opportunity for Indigenous people to engage in R&D, fisheries management, & commerce</p> <p>15. Building understanding of fishing industry structures and processes</p> <p>16. Research outputs and information are available in appropriate formats and language (extension and adoption)</p>
Principles	1. Primacy	2. Cultural Practice	3. Self Determination	4. Economic Development	5. Capacity Building
<p>1. Recognition of People</p> <p>2. Fishery access and value</p> <p>3. Governance, representation & management</p> <p>4. Resourcing for involvement</p> <p>5. Capacity – and empowerment</p> <p>6. Agency capacity re TFK, expertise, and processes</p> <p>7. Customary rights, TFK & TFM</p> <p>8. Awareness of impacts on environment and traditional harvest</p> <p>9. Fishery management to improve access, protection and bring TFK and TFM input to processes</p> <p>10. Increased value - economic, social, cultural, trade, health, environmental</p> <p>11. Benefit sharing</p>	<ul style="list-style-type: none"> Indigenous communities and fishers are directly involved in governance and decision making at all levels from commencement of the venture. Indigenous fishers are primary partners and beneficiaries in the social, cultural and commercial design and investment of the venture TOs and Torres Strait entities own the wild catch fishery licenses (Beche -de-mer and finfish) that the venture will rely on. Collaboration with other island communities is yet to be confirmed. The venture requires the full engagement of the Ugar Community in planning and managing the fishery business and contributing human capacity to harvest, manage and process the catch, and manage the all decisions taken by the company. 	<ul style="list-style-type: none"> The Torres Strait Protected Zone Joint Authority (PZJA) specifically prescribes and promotes increased opportunities for traditional inhabitants through participation in all sectors of the fishing industry. Island communities continue to consider and debate the use of non-traditional fishery technologies (e.g. hookah dining equipment, log book record systems) in the trade-off between fishery productivity and cultural fishery practices. They are supported by AFMA in this process. 	<ul style="list-style-type: none"> All traditional and commercial fishery licences for Beche-de-mer and fin fish in the Torres Strait are controlled by Indigenous decision makers, jointly with AFMA and Qld Fisheries. Most Tropical Rocklobster and and prawn licences are owned by non-indigenous fishers. The Torres Strait Regional Authority partners with the Torres Strait Regional Council and individual communities to enhance the Torres Strait Region's wealth by creating sustainable industries and increasing employment opportunities for Torres Strait people, ensure the efficient use of resources, and improve the lifestyle and well-being of Islander and Aboriginal people living in the region. Both the TSRA and the Council are led by elders from the Torres Strait community. The level of engagement by Indigenous people in fishery decisions is very high. 	<ul style="list-style-type: none"> Traditional fishery licences are held by Indigenous people and set in legislation. Management measures are in place to enable Indigenous people to access and control all commercial licenses long term. Ugar Island has a small community – it lacks people to harvest and process fish, and enough skilled leaders to run the business. Employment and business models are in place to enable and ensure Indigenous engagement in fishery activity and support services (e.g. vessel operations). The fishery access and utilisation rights of individual island communities to marine zones and harvest TACCS are yet to be confirmed, but are emerging. This will be a fundamental step for the development of fishery values related to specific communities and and commercial leverage via consumer brands. 	<ul style="list-style-type: none"> Torres Strait communities variously have capacity to increase the utilisation of their respective marine zones and aquaculture fisheries. But as yet, they lack the threshold level of community engagement and motivation that is required to economically sustain and develop these assets for mutual benefit. Ugar island has established both the Community (i.e. cultural) governance and Corporate governance structures that are a necessary platform upon which to develop their fisheries. A Business Plan is being developed. But a lack of skilled people to lead, implement and manage this development is the main constraint to economic development.
Summary Conclusions					
<p>A. Fishery Model – enterprise, management and legislative</p>	<ul style="list-style-type: none"> Indigenous fishers are involved in design, setup and management. Indigenous people will have access to 100% of the catch. 	<ul style="list-style-type: none"> The Ugar Community and KAF have appropriate cultural governance structures to represent the voices of the community. 	<ul style="list-style-type: none"> The Ugar Community, jointly with other island communities, has complete control of the decisions regarding the economic development of the marine and aquaculture fishery at Ugar Island. 	<ul style="list-style-type: none"> The existing Torres Strait legislation, and Ugar community organisations and entities provide a sound basis for development. The venture controls attractive products demanded by overseas and local consumers 	<ul style="list-style-type: none"> The Ugar Community and KAF have emerging Indigenous leadership, lack depth and commitment. The proposed business model is designed to drive island community participation and foster development.
<p>B. Gap analysis</p>	<ul style="list-style-type: none"> The venture is underway, but the proposed development per the business plan is yet to yet to begin. Primacy has been established. 	<ul style="list-style-type: none"> The level of community engagement with KAF is too low to support the economic development of the fishery on a sustainable financial basis. 	<ul style="list-style-type: none"> A lack of skilled people, infrastructure and planning systems means that KAF struggles to communicate business direction and increase operational activity. 	<ul style="list-style-type: none"> The venture is operating at a sub profit level, due to the lack of business planning and poor engagement of families and community. 	<ul style="list-style-type: none"> Lack of local business planning to show the pathway to economic development. Lack of human skills to plan and manage fishery and seafood business operations.
<p>C. Preferred development pathway defined</p>	<ul style="list-style-type: none"> Pathway to primacy is established. 	<ul style="list-style-type: none"> Cultural Practice pathway defined 	<ul style="list-style-type: none"> Self Determination pathway defined 	<ul style="list-style-type: none"> Zonal planning with other islands and AFMA A proposed business plan will boost performance if planned human and infrastructure resources are forthcoming. 	<ul style="list-style-type: none"> Ugar Island / KAF is on the preferred pathway for economic development but is temporarily constrained by lack of skilled people to lead and drive the venture.
<p>D. Case Study Extension Strategy</p>	<ul style="list-style-type: none"> Complete the Business Plan Engage the Ugar Community more comprehensively, especially those families and group that are contributing to fish harvesting, processing or value adding, or input services (e.g. equipment maintenance) via local microbusinesses. Implement the Community and family incentive program for harvesting fish in the Ugar Island Zone 				

7. CASE STUDY 4. GIRRINGUN COMMUNITY, CARDWELL QLD



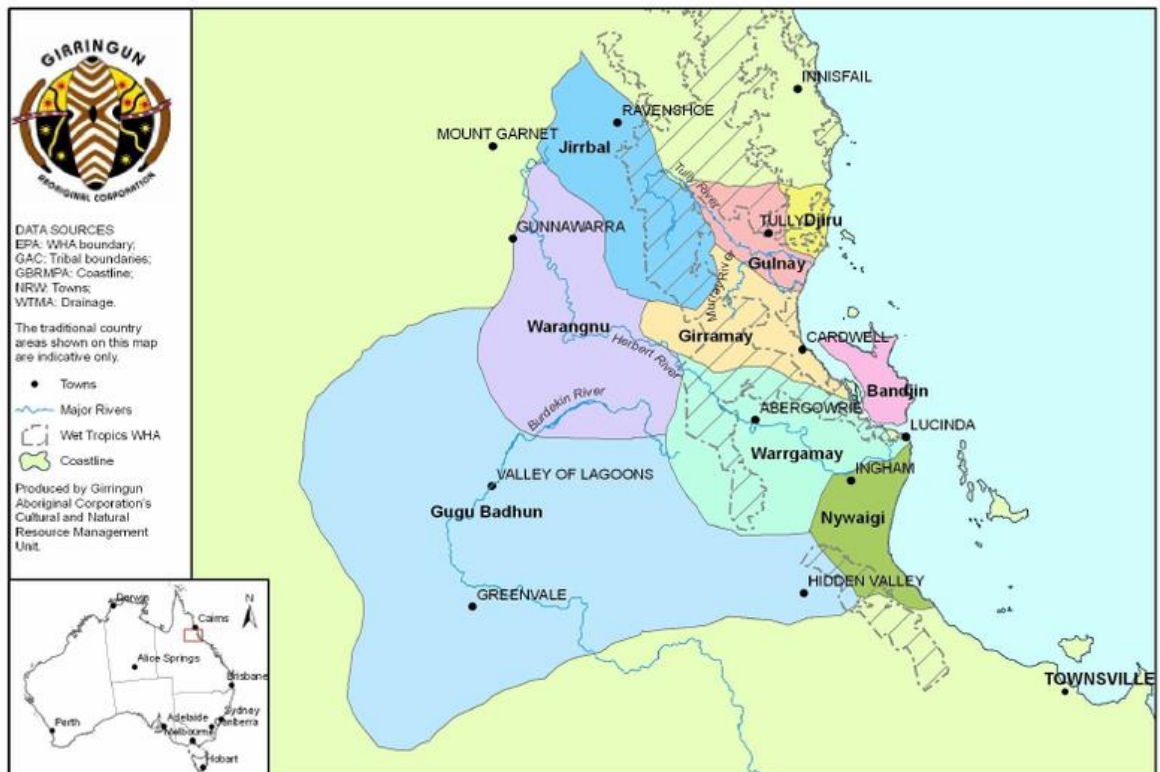
A. BACKGROUND

1. THE CASE

Nine tribal groups are represented in the Girringun Region Indigenous Protected Area (GRIPA) - Bandjin, Djiru, Girramay, Gugu Badhun, Gulnay, Jirrbal, Nywaigi, Warrgamay and Warungnu. The governing body comprises two representatives elected from each of the nine tribal groups.

Located between Cairns and Townsville these traditional lands comprise 25,000 square kilometres of country, north from Rollingstone, south west to Clarke River, north to the Mission Beach area, west to Ravenshoe and east to include Hinchinbrook, Goold, Brooke, Family and Dunk Islands.

Figure 47. Map of Girringun Traditional Owner Lands



Most of the country within the Indigenous Protected Area is privately owned, and therefore access for Traditional Owners is limited. Marine waters in the community's Traditional Use of Marine Resources Agreement (TUMRA) are also shared under Native Title Regulations, with non-indigenous users.

COMPLEX CULTURAL GOVERNANCE

Girringun Aboriginal Corporation (GAC) was established in 1996 by Traditional Owners as a regional round table to represent the diverse and overlapping interests of the nine clan groups. Some Girringun affiliated groups have native-

Girringun Aboriginal Corporation
will:

- Work with members, TOs, agencies, and community to promote and preserve Aboriginal culture.
- Advance TOs custodian rights on the environment through native title claims, land purchases and best practice initiatives.
- Develop programs (social, health, wellbeing) for Indigenous communities.
- Assist economic development and management of lands through employment and training programs.
- Maintain long term good relationships with agencies and communities throughout the region.

<https://girringun.com.au/about>

title-holding RNTBCs; some groups have land holding corporations; some own broader corporate entities; and some are unincorporated.

GAC provides an umbrella structure for joint leadership and corporate governance, through which shared issues can be addressed under traditional law, and cultural governance aspirations pursued for mutual benefit.

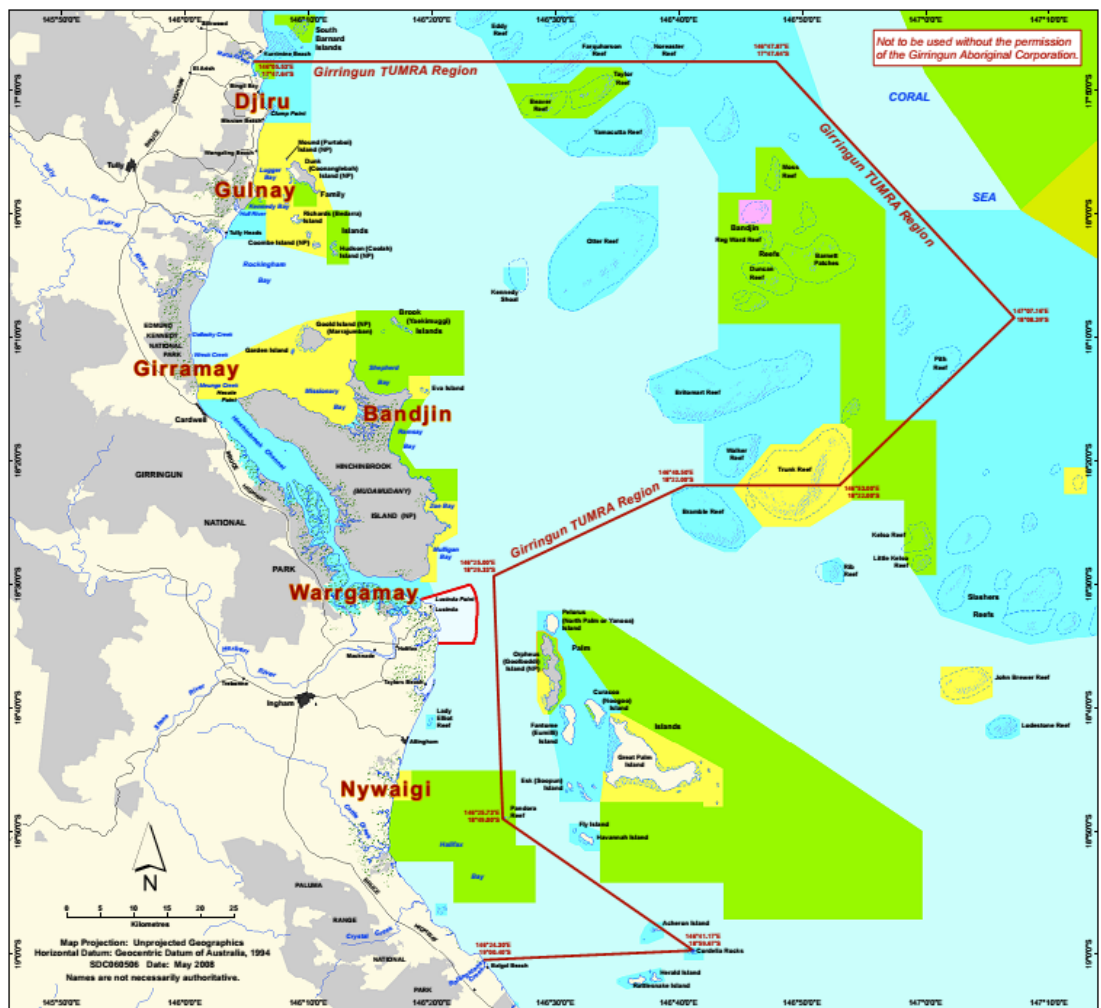
The needs and aspirations of the 900 Members of the corporation are complex and varied. Successive Native Title claims by individual clan groups over the last decade have resulted in a number of land and sea assets being returned to individual aboriginal corporations across the region.

Through collaboration with governments at all levels and with the corporation's leadership, the Indigenous community has realised more meaningful involvement in land and sea management at all levels: from policy making, to planning, to on-ground management responsibilities across the region.

REGIONAL TUMRA GOVERNANCE

Sea country activities for local Indigenous people are diverse and include marine and freshwater activities and aspirations. Girringun developed Australia's first TUMRA in 2005. The Corporation has now developed its third agreement, accredited by the Australian and Queensland Governments in December 2010.

Figure 48. Map of Girringun TUMRA Waters and Saltwater Clan Locations



Summary of Objectives for the Girringun Regional IPA 2013-23

1. Ensure a financially stable Aboriginal Corporation
2. Strengthen Traditional Owner and community skills for roles in local and regional planning
3. Build strong, healthy and skilled families, able to control their lives and destinies in the community
4. Build confident, respected youth who can fulfil their responsibilities and aspirations
5. Strengthen Indigenous ownership engagement and husbandry of traditional Land and Sea Country
6. Develop sustainable viable economic opportunities that enhance Traditional Owner engagement in local economic activities on country.

GRIPA Management Plan 2013-23

The TUMRA is a legal agreement established under the Great Barrier Reef Marine Park Act 1975, implemented by the Great Barrier Reef Marine Park Authority (GBRMPA). Girringun Saltwater Traditional Owners (Bandjin, Djiru, Girramay, Gulnay, Nywaigi and Warrgamay peoples) are parties to this agreement. The TUMRA allows Traditional Owners to self-regulate their traditional hunting of marine protected species (initially turtles and dugong) within the Marine Park.

TUMRA waters do not provide exclusive rights to Indigenous fishers – commercial fishers under quota, and recreational fishers have access to appropriate zones.

The Native Title Act preserves the right of native title holders to exercise native title rights, including fishing outside areas permitted under the *Fisheries Act 1994*. This right is limited to instances of fishing for the purpose of satisfying personal, domestic or non-commercial communal needs, carried out in accordance with the particular traditional laws and customs of the native title holders.

Fundamentally, TUMRA waters are about traditional use, not commercial use. They have been developed to manage traditional use of protected species and are accredited and regulated under the Qld Marine Parks Zoning Plan 2004.

BROAD RANGE OF ACTIVITIES

Girringun Aboriginal Corporation is a relatively large Indigenous organisation, employing 39 people (2016). A brief review of the case confirms the broad scope and depth of its activities.

GAC owns and operates the Girringun Arts Centre for local Indigenous weavers, jewellery makers, painters and sculptors, employs 15 community rangers to manage their traditional lands, and has recently established a new native plant nursery on corporation site on the Bruce Highway just south of Cardwell. The organisation is a registered Deductible Gift Recipient with the Australian Taxation Office.

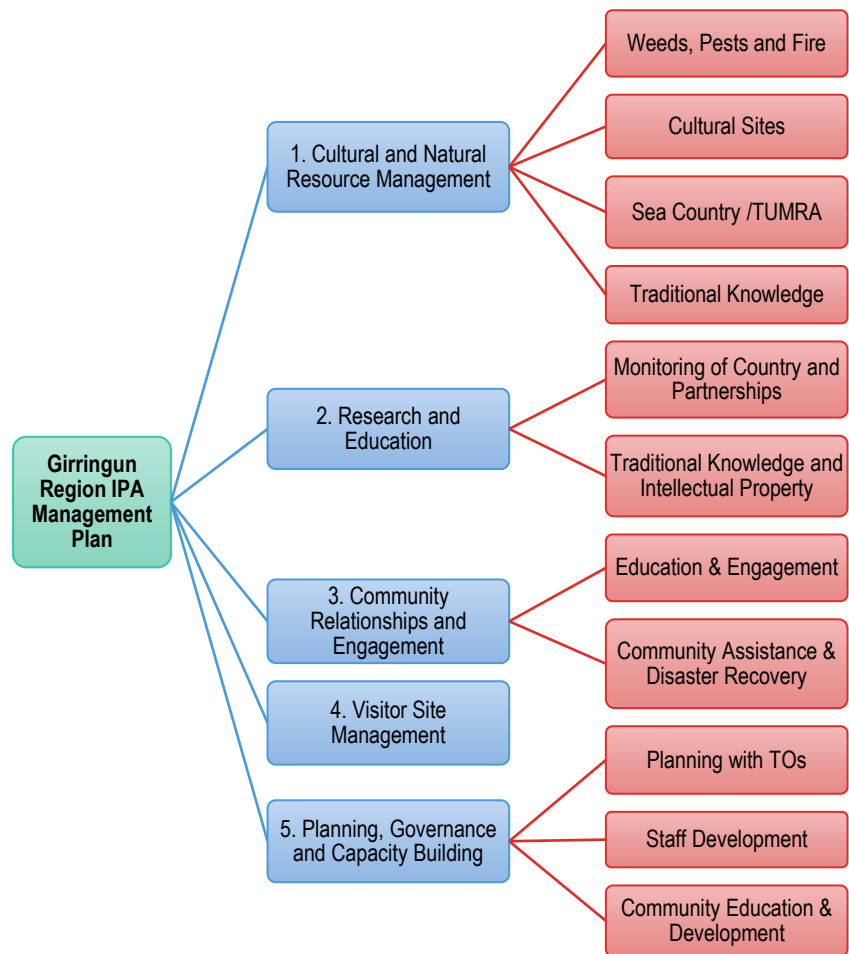
Over time, Girringun has achieved many of its initial aims (**Girringun Aboriginal Corporation, 2013**), including:

- Coastal cultural heritage surveys,
- Girringun native plant nursery establishment,
- Revegetation of remnant or degraded country (habitat),
- Cultural material resource documentation and collection,
- Ethnobotany publications,
- Water resource planning and water values identification,
- Collaborative research to support co-management,
- Seagrass-Watch monitoring program with James Cook University,
- Photographic and video documentary-making,
- Contracted fee for service management of reserve lands,
- Contracted eradication of invasive weeds,
- Contracted endangered species surveys,
- Contracted cultural heritage assessment, and
- Contracted cultural heritage clearance.

From this case review, three things are evident regarding the Girringun Aboriginal Corporation:

1. The organisation has been established for over 20 years, long enough to refine its purpose, and consolidate its leadership and governance structures for the benefit of members and the broader Indigenous community,
2. The financial affairs (cash flow and assets) of the organisation are strong evidenced by its financial statements. The organisation’s strategy is underpinned by long-term collaborations with governments and local organisations, supported by a growing list of private businesses.
3. The management strategies for the organisation (presented in the following figure updated in 2013) broadly address five main development themes, and are outcome and milestone focussed.

Figure 49. Girringun Regional IPA Management



The organisation continues to drive innovation in regional, strategic conservation outcomes, across all jurisdictions, both locally and at landscape scale.

ECONOMIC OPPORTUNITY

Many of Girringun’s initial strategy aspirations have been addressed by Traditional Owners, with initiatives and skills established (e.g. sea ranger program, pest management plans, joint research activities with universities, and TUMRA activity) to enable ongoing monitoring and reporting responsibilities.

However, the community continues to seek to increase its engagement in economic activity – as part of its overall development strategy. The final objective set by the community is to *Develop sustainable viable economic opportunities that enhance Traditional Owner engagement in local economic activities on country.*

The existing status of the Giringun Aboriginal Corporation as a not-for-profit organisation potentially limits its strategic thinking and capacity to undertake economic activity. Any proposed new commercial venture (e.g. for fisheries development) can be housed in a new for-profit entity as necessary.

Figure 50. Giringun Land and Sea Country near Whitsunday Island



The opportunity exists to leverage this economic development through increased use of its marine and fishery assets, and related knowledge and resources held by the community. Giringun Community seeks to progress one significant economic opportunity based on a broader beneficial use of waters in and adjacent its waters. This opportunity is discussed in more detail below.

2. REGIONAL CONTEXT

Giringun Regional IPA land and sea country comprises a large area, and it is to be expected this will overlap a number of local governments and planning authorities in North Queensland. On land, GRIPA activities fall within the boundaries of four regional local government jurisdictions (Cassowary Coast Regional Council, Hinchinbrook Shire, Tablelands Regional Council, and Charters Towers Regional Council).

Three of these jurisdictions are relevant to the regional planning context of the GRIPA, and have specific development initiatives planned, as illustrated below:

<p>1. Tropical North Qld Regional Economic Plan</p>	<ul style="list-style-type: none"> • Measures to support a large indigenous population experiencing high levels of unemployment and social disadvantage. • Encourage and support the establishment and growth of indigenous enterprises • Provide workshops, professional business support services and business loans to assist Indigenous people to succeed in business • Coordinate and lead stakeholders to pursue initiatives that provide employment opportunities through skill development for the regions indigenous population.
<p>2. Great Barrier Reef Marine Park Authority</p>	<ul style="list-style-type: none"> • Establishment and ongoing joint management of the declared TUMRA sea country
<p>3. Cassowary Coast Regional Council</p>	<ul style="list-style-type: none"> • Understand and tackle the issue of sustainable development, especially through bringing in resource efficiencies and integrating Indigenous knowledge • Achieve self-sustaining indigenous communities • Increase the viability of the regions indigenous corporations through assistance establishing new industries and employment outcomes • Ensure that indigenous job seekers access local employment opportunities • Promote research in areas such as tropical medicine, indigenous health and education, pharmaceuticals and alternative energies • Major town centres present marketing and branding opportunities to attract greater levels of business activity investment and develop whilst embracing the regions indigenous and multicultural heritage • Establish additional ventures,.... including with Giringun Indigenous Corporation for promotion of regions indigenous heritage • Provide support through mentoring and training, and hold employment forums for disadvantaged and other minority groups within the community, including indigenous people.

3. COMMUNITY CAPACITY

The following analyses is based on aggregated Census 2011 data (with 2016 trends where available) for two Indigenous Areas (IAREs)

- IARE 308015 – Tully – Cardwell - Jumbun, QLD,
- IARE 308005 – Ingham – Hinchinbrook, QLD,

relevant to the Giringun Regional Indigenous community.

- There is a total of 1,377 Indigenous people in the community – 51% are female. Available data for the 2016 Census confirms 4% growth in the Giringun Community to 1,428 Indigenous people, but with a fall in the share of females to 47% female.
- Working age (15-64 years) males and females comprise 59% of the community, compared to 60% for all Indigenous people in Australia,
- Working ages of people in Giringun Community broadly reflect the average age profile for Indigenous working people across Australia,
- 15% of working age males and 18% of working age females (average of 16%) hold a qualification, well below the 25% average for all Indigenous Australians.

Girringun 2011	Males	Females	Total	%	Indigenous Australia	%
Total People	681	696	1,377		548,367	
<u>Working Age Groups</u>						
15-24 yrs	141	109	250	31%	105,644	32%
25-44 yrs	169	161	330	40%	139,474	42%
45-64 yrs	102	133	235	29%	85,378	26%
Total working age	412	403	815	100%	330,496	100%
<u>% of People in Community</u>						
15-24 yrs	21%	16%	18%		19%	
25-44 yrs	25%	23%	24%		25%	
45-64 yrs	15%	19%	17%		16%	
Total working age	60%	58%	59%		60%	
% with qualification	15%	18%	16%		25%	

QUALIFICATIONS OF INDIGENOUS PEOPLE

Based on Census data (2011 and 2016):

- 5% of males and 38% of females hold Post Graduate or Bachelor qualifications, with the latter spread across the 35-64 years' age group,
- Qualified males and females are represented more in middle to old age groups compared to the national Indigenous averages at each age,
- The community has a shortage of qualified males and females in younger age groups, compared to the national Indigenous average.
- Females in the community are more qualified than males, on average.

Girringun 2011	Post Graduate	Bachelor	Diploma	Certificate	Total	%	Indigenous Australia	%
<u>Males</u>								
15-19	0	0	0	3	3	5%	1,956	5%
20-24	0	0	0	5	5	8%	5,006	13%
25-34	0	0	0	12	12	19%	10,010	26%
35-44	0	0	4	14	18	29%	9,910	26%
45-54	0	3	0	14	17	27%	7,679	20%
55-64	0	0	0	7	7	11%	4,025	10%
Total	0	3	4	55	62	100%	38,586	100%
	0%	5%	6%	89%	100%			
<u>Females</u>								
15-19	0	0	0	0	0	0%	2,145	5%
20-24	0	0	0	0	0	0%	5,809	13%
25-34	0	0	0	14	14	20%	12,068	28%
35-44	0	7	0	12	19	27%	11,371	26%
45-54	8	3	0	12	23	32%	8,327	19%
55-64	3	6	6	0	15	15%	3,719	9%
Total	11	16	6	38	71	100%	43,439	100%
	15%	23%	8%	54%	100%			

Figure 51. Blencoe Falls, Girringun National Park within the Girringun IPA



EMPLOYMENT

- 41% of Indigenous people in the community are employed (48% male and 35% female), compared to the national Indigenous average of 40%,
- 82% of those directly employed are in private employment, compared to a national Indigenous average of 75%,
- CDEP participation in this community is nil, compared to a national average of 1.5%.

Girringun 2011	Males	Females	Total	%	Indigenous Australia	%
People employed	211	158	369	100%	147,717	100%
Gov't employees	24	25	49	13%	33,310	23%
Private employees	175	128	303	82%	110,513	75%
Other	12	5	17	5%	3,894	3%
Unemployed	39	37	76		30,460	
Outside the labour force	163	234	397		155,889	
CDEP	0	0	0	0%	4,838	1.5%
% employed in population	48	35	41		40%	

SEA RANGERS

From 2005, Girringun started to invest to build a regional Land and Sea Management program. One of the key achievements of this long term Girringun program has been the Cardwell Indigenous Ranger Unit, now called Girringun Aboriginal Rangers (GAR). The GAR Steering Committee, chaired by the GAC, includes the GAC board, Qld Parks and Wildlife Service, GBRMPA, and QDAF.

The GAR comprises 13 personnel (7 Indigenous male rangers, 3 Indigenous female rangers, and Ranger Coordinators). The unit was a significant participant in the Commonwealths 'Working on Country' Program from 2010 onwards.

Rangers work formally with numerous stakeholders through MOU's, and Contracts to conduct much of the on-ground operations. Their work has a specific focus on cultural outcomes and Land and Sea Country maintenance.

B. THE PROPOSED FISHERY

1. LOCATION AND PATHWAY

Girringun sea country covers waters traditionally owned by six Girringun clans - Bandjin, Djiru, Girramay, Gulnay, Nywaigi and Warrgamay. This area includes waters in the Girringun TUMRA adjacent the Great Barrier Reef Marine Park.

FISHERY DEVELOPMENT OPTIONS

Girringun Community aspires to economically develop wild catch fisheries in its sea country. There are two core objectives to be pursued over the next 5 years:

1. To create commercial fishery skills and employment for community members, and
2. To develop and implement a Girringun commercial fishery that will supply Girringun branded seafood to consumer markets.

There are a number of steps to achieve this outcome.

In Queensland, there are three levels of fishery access available to Girringun Community members and fishers:

1. An Indigenous Fishing Permit; which can be acquired from state government at no cost for a 3-year term. This license enables an Indigenous fisher to assess the commercial viability of a fishing activity, take and process fish to carry out the assessment, or sell the fish. This permit will not enable sufficient harvest volume or development time to establish a viable commercial business.
2. A Fishery Development Permit; which can be acquired from QDAF at a cost of approximately \$5,000 for an initial 3-year term. This license is available to all fishers, not just Indigenous people. Developmental licences operate outside existing commercial fishing areas and operations. GAC (or its subsidiary entity) could pursue this option as a first step to commercial activity and related Ranger Management and skills development programs, in or adjacent to its TUMRA waters. But as the first step to gaining the Permit, the proposed community fishery activity must be described in a commercial business plan from the proponent, approved by the government agency.
3. A Commercial Fishing License; which is available from the state government at market-based prices subject to the fishery (species) targeted, in a range from \$50,000-80,000. GAC (or its subsidiary entity) could easily gain access to some licences (e.g. netting and crabbing licence rights in non-quota species fisheries), as an "action-learning approach" to developing skills and capacity to market Girringun branded seafood. However, if GAC wishes to access more expensive quota

species (e.g. Coral trout, Red-throat emperor, other reef fish, Spanish mackerel, Beche-de-mer) it will need to hold relevant commercial fishery quota units, as well as a fishing licence.

Fisheries are generally managed at the whole stock level. Given the existing zoning and harvest within GAC's sea country and its non-exclusive Native Title Rights, it may be difficult for GAC to establish the sufficient harvest capacity (skills, vessels, quota units) to operate sustainably and viably. This will depend on the initial choice regarding species targeted. A crab and net fishery will be a less risky option for the Giringun community, until at least it has developed the capacity and financial resources to progress to higher value quota species.

The Regional Context discussion above identified the objectives of the Cassowary Coast Regional Council including support for Indigenous ventures and communities. Employment and skills development is a critical component to drive the success of the Giringun fishery venture. The opportunity exists for GAC to partner with this Council, with Qld TAFE (currently based at Ingham and Innisfail), and with the commercial fishing and aquaculture industry (large prawn farms in the region) to establish an Indigenous Training and Mentoring Program (based in a regional centre) for communities to support career skills development and employment in the fisheries and aquaculture sector.

In summary, GAC will ultimately need to acquire the appropriate authorities (commercial licence, symbols, quota) if it aspires (as it does) to develop a commercial seafood product for a GAC branded consumer market. There are also other mandatory requirements that operations must meet including marine safety for people, and seafood safety along supply chains to consumers.

PREFERRED PATHWAY

The preferred pathway to achieve the GAC's commercial fishery aspirations is to develop a viable long-term business case to support a unique community Indigenous Fishery Development Permit for Giringun Sea country. Initially for three years this permit could then be renewed subject to performance. Targeting of lower value non-quota species in the first few years will require less capital, involve less commercial risk, and provide a cheaper entry point while the community builds its skills and capacity over time.

A second positive initiative would be to refresh the Indigenous TUMRA Management Plan and link it to the commercial Fishery Development Permit and Plan. The TUMRA aspect would highlight key sustainability and Indigenous cultural aspects of Giringun sea country and tell the cultural story of the fishery as it continues to develop. This would be an attractive parallel but separate underscoring to the cultural and economic development of Giringun fishery.

A third positive initiative would be a mentoring and commercial fishery skills and training program for Giringun fishers and Rangers. Such a program, linked to the Development Permit and the TUMRA sea country activities would be a very efficient way to build skills and fishing business capacity in the Giringun Community to support the Fishery Development Permit. Other Indigenous communities in Far North Queensland are currently employing an experienced non-indigenous commercial fisher as a community mentor assisted by WWF and regional TAFEs. The names of these suitably experienced mentors are available from the Cairns commercial seafood industry.

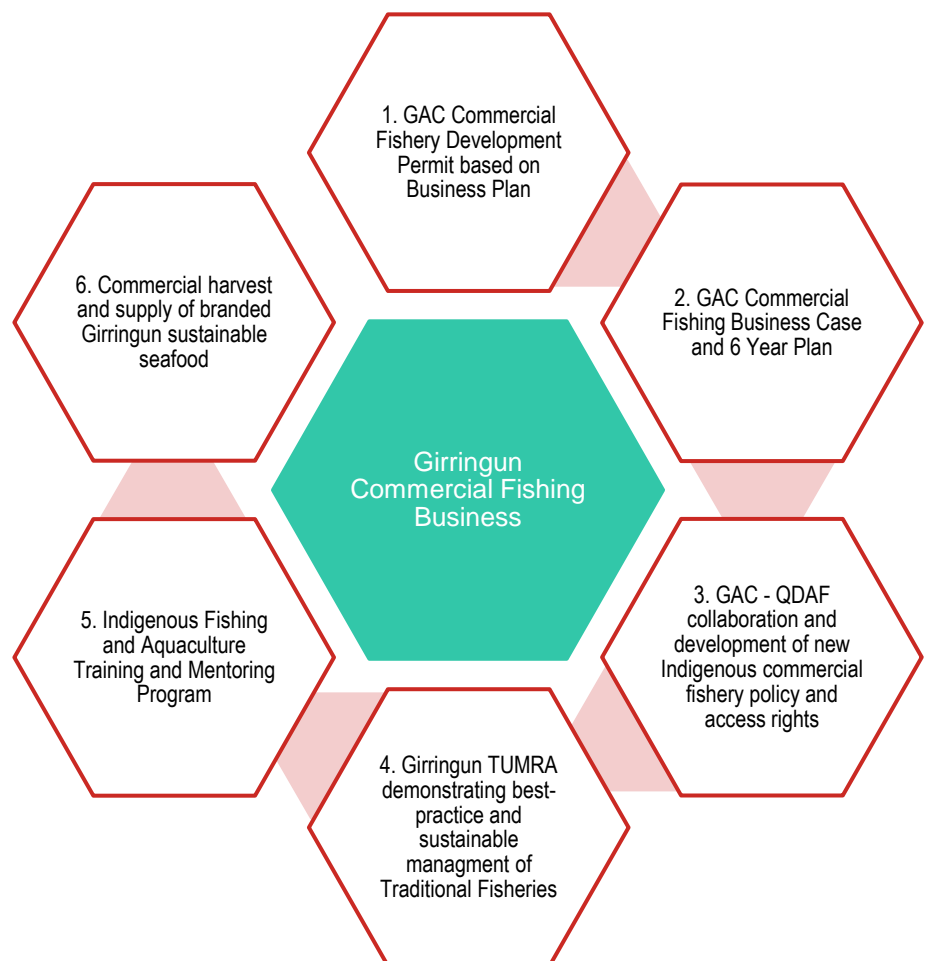
This development plan opportunity arises at a good time for GAC. The Queensland Department of Agriculture and Fisheries (QDAF) has recently released its Sustainable Fisheries Strategy 2017-2027. The Strategy identifies, as one of ten areas of reform, that Government will develop more appropriate and clearer rules to enable fishers to access proven sustainable fisheries. Specifically, for Indigenous fisheries, the strategy will (QDAF Strategy: 2017-27, page 22):

“Develop a traditional fishing policy to clarify arrangements and an Indigenous commercial fishing development policy to support Indigenous economic development in a way that supports sustainable fishing”

Girringun Aboriginal Corporation is well placed to engage with QDAF and other agencies to develop these new policies and implement fishery changes that create economic returns for the Girringun Community. Initial discussion with government officers confirms their interest in collaborating with GAC to understand and support their economic development aspirations for sea country.

These strategic development elements are linked in the following pathway.

Figure 52. Girringun Aboriginal Corp. – Commercial Fishery Development Pathway



2. VISION AND STRATEGY

VISION

Strong Aboriginal people, strong Culture, strong Country.

MISSION

To provide sustainable outcomes for the enhancement of social, cultural, spiritual, environmental and economic well-being for the benefit of Aboriginal people of the Girringun region through strong leadership, direction and strategic partnerships.

OBJECTIVES

The Corporation has established six objectives in its IPA Management Plan:

- To continue to provide a financially and internally stable and viable representative not for profit Aboriginal Corporation,
- Assist and support Traditional Owners to develop individual and community capacity skills and facilitate and encourage them to take their place in the various local and regional planning, and on-ground activities, within the region,
- Build healthy, strong culturally and socially rejuvenated families and individuals who are educated, skilled and empowered to take control of their lives and destinies and function well within the community,
- Build confident, high-esteemed and inspired youth participating in the broader society and fulfilling their responsibilities and aspirations,
- Strengthen our ownership of, presence on and our people's roles and responsibilities in the management, use and caring of our traditional Land and Sea Country,
- Develop sustainable and realistic economic opportunities with Traditional Owner engagement and participation in regional and local economies and their development of economic activities on country.

The last objective captures the intent of this case study and related aspirations.

3. COMPETITIVE ADVANTAGES

The Girringun Regional case study identifies three competitive strengths to support the proposed development of a commercial fishery on sea country:

- Girringun Aboriginal Corporation is a long-established, financially stable and viable, and regionally respected Indigenous organisation,
- GAC holds and maintains a large area of traditional sea country (non-exclusive native title) in waters within and adjacent to its longstanding TUMRA with the GBRMPA and Queensland Government. Together these waters, collaborations and GAR Ranger Program confirm Girringun Community's deep cultural history in this sea country, as a basis for Indigenous economic development.
- Girringun sea country offers a range of marine species, from low price non-quota species through to high value quota species increasingly in demand in branded seafood markets in Australia and overseas.

C. COMMERCIAL ARRANGEMENTS

Girringun Aboriginal Corporation was registered in April 1996. It is managed by a full-time professional manager (Mr Phil Rist) and governed by a board of nine Indigenous directors. There are 650-700 Members of the enterprise, more than 95% of whom live in the wet tropics region of north Queensland.

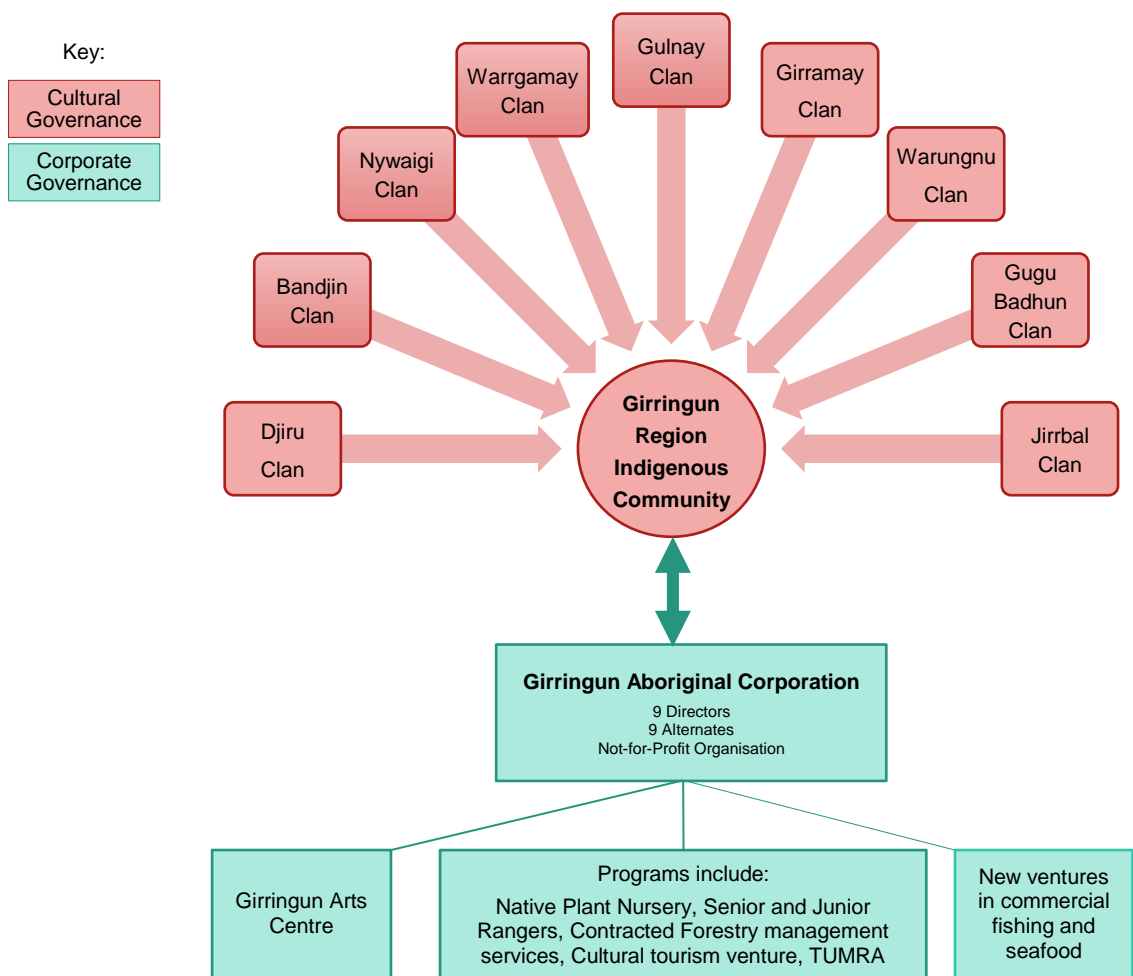
GAC lists its main business activity as Health & Community Services, Art Services, Personal and Other Services, Employment and training, and Land Management. The Corporation recorded a surplus of revenue over expenses in both 2015 and 2016 and has net assets in 2016 of over \$2.1 million. The Corporation’s main assets are local freehold land and buildings, an arts centre, and a native plant nursery.

Approximately 92% of the annual funds received by the corporation come from grants with the balance coming from commercial business activities operated by the Corporation. These include commission on Indigenous art sales, consultancy fees, and sales of native horticultural nursery products.

1. GOVERNANCE

The following figure presents the governance model for Girringun Community. This community approach is a hybrid of the Family Governance Model identified in chapter 2, section D (Governance Models).

Figure 53. Girringun Case Governance Model



2. VIABILITY

The potential commercial viability of the proposed seafood venture is not yet known as the project concept and feasibility assessment have not yet be developed.

D. CASE STUDY ASSESSMENT AND INSIGHTS

The following table assesses the Giringun Community Case Study across the IRG's 11 Strategic Principles and 5 Aspirations.

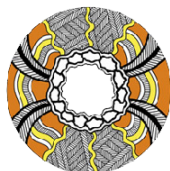
The assessment finds that there are a number of compelling economic and social reasons for GAC to consider the economic development of its fishery resources.

The inshore commercial fishery venture (crabs and net species) is in early concept stage. But the PI's discussions with staff responsible for Indigenous development in the QLD fisheries agency, confirm there is an opportunity now for GAC to work with the agency on its new Fisheries Strategy 2018-23. This Strategy is seeking Indigenous input to new ways to develop Indigenous fishery resources.

CASE ASSESSMENT	Assessment Criteria				
Girringun Region Community, QLD (GAC – Girringun Aboriginal Corporation)	17. Process to determine an Indigenous catch and allocation model.	18. What legislation, policy, management strategies impact on Indigenous cultural fishing practices. 19. What fishing and non-fishing practices impact on Indigenous cultural fishing practices, including identifying key iconic species. 20. Identify models to incorporate TFK into Aquatic Resource Management (ARM) processes.	21. Address barriers to full and effective Indigenous involvement in decision making forums 22. Improve the involvement of Indigenous people in all levels of Aquatic Resource Management (ARM) 23. Identify cost benefit of effective Indigenous consultation & extension	24. New models to ascertain the value of Indigenous fishing/seafood 25. Management measures to boost Indigenous access to commercial resources 26. Commercial initiatives to boost Indigenous interests in sector 27. Explore new benefit sharing models re fisheries use & access (e.g. employees) 28. Opportunity for Indigenous branding of seafood and fisheries product	29. Build capacity of mainstream sectors to effectively engage with Indigenous fishing sector and communities 30. Improve capacity of /opportunity for Indigenous people to engage in R&D, fisheries management, & commerce 31. Building understanding of fishing industry structures and processes 32. Research outputs and information are available in appropriate formats and language (extension and adoption)
Principles	1. Primacy	2. Cultural Practice	3. Self Determination	4. Economic Development	5. Capacity Building
<ol style="list-style-type: none"> 1. Recognition of People 2. Fishery access and value 3. Governance, representation & management 4. Resourcing for involvement 5. Capacity – and empowerment 6. Agency capacity re TFK, expertise, and processes 7. Customary rights, TFK & TFM 8. Awareness of impacts on environment and traditional harvest 9. Fishery management to improve access, protection and bring TFK and TFM input to processes 10. Increased value - economic, social, cultural, trade, health, environmental 11. Benefit sharing 	<ul style="list-style-type: none"> Indigenous communities and fishers are directly involved in governance and decision making at all levels, however half of the clan groups have no sea country and limited input. Ranger programs have been established by the Community to manage Natural Resources and cultural sites, including management related to the TUMRA waters There is not yet and direct engagement in other (i.e. non-TUMRA) fishery activities. TOs and Indigenous entities do not currently own any wild catch fishery licenses that the proposed venture will rely on (crabs, net species). The venture requires the full participation and agreement of Indigenous parties in all decisions. 	<ul style="list-style-type: none"> There is negligible Native Title land and sea country in community hands. Fishery cultural sites (e.g. traps) have been mapped and are protected. The TUMRA has legislated the use rights of traditional fishers for icon species. Girringun Saltwater Traditional Owners are parties to this agreement. Legislation related to non-native invasive species (e.g. tilapia) impacts on the activities fresh water resource management of Girringun Rangers. By-catch from commercial fishing activities, recreational and commercial gill-netting of coastal creeks The Community collaborates in habitat management, fishery tourism, R&D and education (e.g. GBRMPA, QPWS, QDAF) and in monitoring (boat ramp surveys, illegal fishing, and poaching). 	<ul style="list-style-type: none"> There are no apparent barriers to full and effective engagement by the Girringun Community in fishery decision making related to their Culturally significant TUMRA waters. There are no barriers to purchase of commercial (quota or non-quota) or recreational licences by Indigenous people. A new Qld Government Strategy (2017-18) seeks GAC input to the development of license applications for new Indigenous Development Fisheries. 	<ul style="list-style-type: none"> The economic development of fishery resources has not been a high priority for the Girringun Community. Economic models used by the community for other commercial ventures (e.g. horticultural nursery) can be applied to fisheries opportunities. New commercial models need to be developed to suit great engagement by Indigenous communities in commercial fishery activity. GAC should engage Government in the current 2017-18 fishery legislation and policy process. New models should show the way for the GRIPA measures to be more economically advantageous to the Girringun Community. For example, greater community engagement in fishery discussions will encourage and support new community skills development and microfishing businesses, with branded seafood. 	<ul style="list-style-type: none"> Girringun AC is in the initial concept stages of assessing how to increase Indigenous participation in the local commercial (wild catch) and recreational fishing industry. Poor skills and know-how are major limits to GAC engagement in fishing. The GAC should consider collaborations with existing fishery mentors (experienced non-Indigenous fishers), and with local seafood and aquaculture enterprises, local TAFEs and support programs already offered by local governments. GAC could also contribute to fishery and seafood industry meetings and decisions through participation in industry associations.
Summary Conclusions					
A. Fishery Model – enterprise, management and legislative	<ul style="list-style-type: none"> TUMRA model for icon species only Commercial model not yet defined – GAC to work with QDAF re policy Indigenous catch and access via commercial + Development Licenses Indigenous investors involved in design, setup, and management. 	<ul style="list-style-type: none"> TFK & TFM legislation is confirmed and delivered via IPA and TUMRA. It is too early to determine if TFK or TFM are to be integrated in the potential commercial crab or inshore net species fisheries operated by Sea country clans 	<ul style="list-style-type: none"> Indigenous TOs and their communities have full control over their fishery and Ranger decision-making rights. TOs are aware of the commercial fishery development opportunity (wild and farmed) TOs are aware of the need to develop their concept and discuss with Qld DAF asap 	<ul style="list-style-type: none"> The venture faces the near-term opportunity to jointly develop with agencies (QDAF, QPWS, GBRMPA) a new Indigenous business model for commercial fishery access and use. This could be integrated with existing supply chains and carry an Indigenous brand 	<ul style="list-style-type: none"> This potential GAC fishery concept and model opens a number of new economic options for the Community using its existing resources, including skill enhancement (Rangers with mentors and TAFE), local government engagement, fishery license ownership, and seafood branding.
B. Gap analysis	<ul style="list-style-type: none"> New commercial Indigenous Development Fishery policy details Community and Ranger engagement in the development of resources 	<ul style="list-style-type: none"> There may be gaps – GAC needs to discuss detailed concept for its fishery aspirations with Qld DAF as the relevant policy framework and Indigenous strategy are now being developed. 	<ul style="list-style-type: none"> Potential gaps in governance (some clans have no Sea country) and technical knowledge (commercial fishing, processing) and skills of Indigenous people – to be revealed over time. 	<ul style="list-style-type: none"> Low community engagement and management measures Lack of entities and skills available to manage new seafood risks in the community 	<ul style="list-style-type: none"> Potential gap as the Community is yet to clarify its fishery aspirations and economic development concept Potential gap re engagement and skills for all Community demographics – eg young people
C. Preferred development pathway defined	<ul style="list-style-type: none"> Documented strategic and operational plans are to define the pathway for KPIs and ROI targets over first 5 years. 	<ul style="list-style-type: none"> GAC and its community to prepare an integrated Indigenous commercial fishery policy concept and submit it to Qld DAF. 	<ul style="list-style-type: none"> Development pathways for the commercial fishery license venture are yet to be determined. 	<ul style="list-style-type: none"> Clear business concept Detailed business planning Skills training and mentoring 	<ul style="list-style-type: none"> The development pathway for building joint capacity for engagement, management, R&D, etc, is not yet developed.
D. Case Study Extension Strategy	<ul style="list-style-type: none"> Extension and engagement strategy to be assessed and potentially developed by GAC and its various collaborators as the venture is considered and developed. Due to the evolving nature of this commercial fishery venture and related legislation, it is uncertain as to whether any specific measures or commercial initiatives will be created to boost Indigenous access to fishery resources and returns. 				

8. CASE STUDY 5. GUNDITJMARA COMMUNITY, VIC

A. BACKGROUND



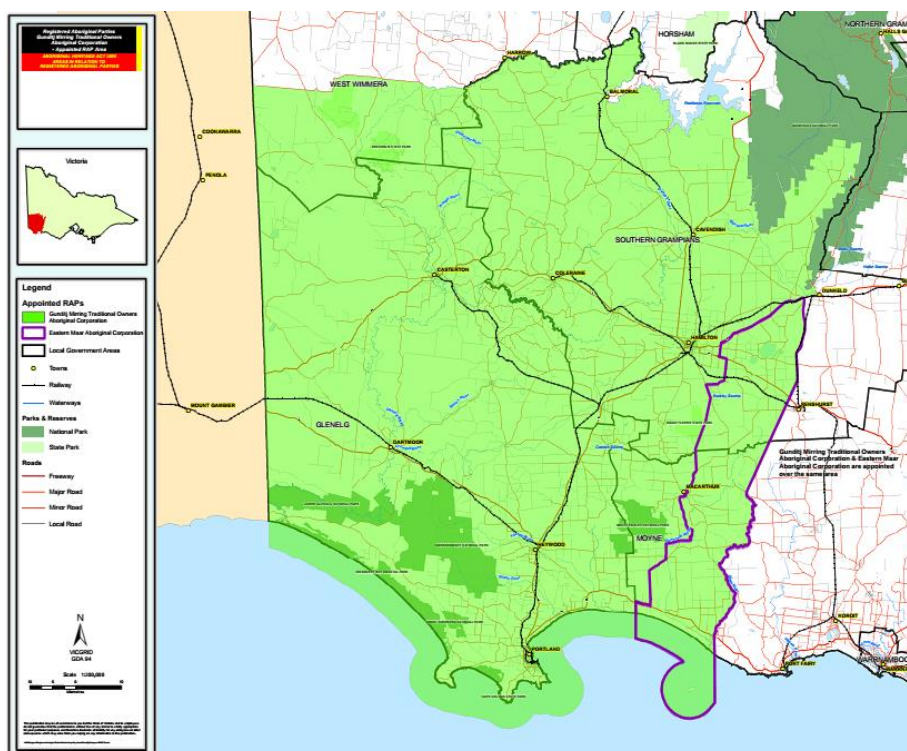
GUNDITJ MIRRORING
Traditional Owners
Aboriginal Corporation
RNTBC

1. THE CORPORATIONS

Gunditjmara people are the traditional owners of Gunditjmara country (GMTOAC, 2015), in south western Victoria. This area was originally the home country of three peoples – Kirrae Wurrung, Ginditj Mara, and Gadabanud. This area comprises 132,000 hectares of Crown land and waters, including state forests, national parks, recreational reserves, river frontages and coastal foreshores.

Established in 2006, the **Gunditj Murring Traditional Owners Aboriginal Corporation RNTBC**⁵ (GMTOAC) has administered Native Title lands and rights on behalf of the Gunditjmara people since 2011. The Corporation also administers an Indigenous Land Use Agreement with the Victorian Government.

Figure 54. Map of Gunditjmara Land and Sea Country



The south-eastern portion of this land is jointly managed by GMTOAC and Eastern Maar Aboriginal Corporation (Victorian Aboriginal Heritage Council, 2016).

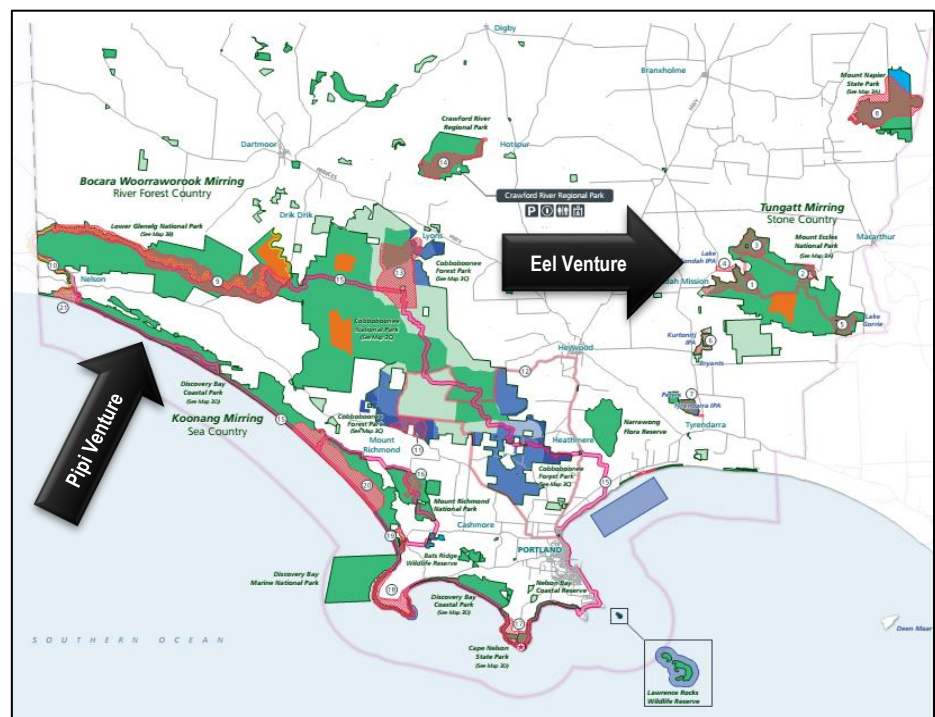
⁵ GMTOAC released a newsletter in October 2017 confirming that the corporation had been placed under Special Administration for a period from August 2017-January 2018. This has limited the opportunity for feedback on this case study.

The GMTOAC works with another Gunditjmara entity, **Winda-Mara Aboriginal Corporation**, (WMAC) to manage the interests and obligations of Gunditjmara people in relation to caring for country, cultural strengthening, community development and wellbeing. Winda-Mara Aboriginal Corporation (WMAC) is a service provider and development company for the Gunditjmara people.

The Gunditjmara People, working with their two well established corporations, seek to develop separate economic ventures based on two native fisheries:

1. Customary farming of short finned native eels (*Anguilla australis*) from Lake Condah, and
2. Customary and/or commercial wild harvest of pipis (*Donax deltoids*) from Discovery Bay.

Figure 55. Map Illustrating Locations of Fishery Ventures



2. ANCIENT EEL FARMS IN A MODERN TOURISM VENTURE

The Gunditjmara people of western Victoria established one of the world's first aquaculture ventures around 6,600 years ago (**Office of Aboriginal Affairs, Victoria, 2013**).

Tyrendarra Indigenous Protected Area (IPA) was declared in December 2003 (**2016**). The 248 ha IPA sits on Darlot Creek, a tributary of Lake Condah near Portland in the Victorian Volcanic Plain bioregion. The IPA's ancient volcanic landscape and the broader Budj Bim Landscape was created by the spectacular eruption of Budj Bim (Mount Eccles, now an adjacent National Park) around 27,000 years ago. The eruption created lava flows that changed the drainage pattern in the area creating large wetlands.

The geomorphology and history of the Budj Bim landscape make it a perfect eel habitat – today this region is a major southern Australian stronghold for the kooyang or short finned eel.

Indigenous farming of eels has been recorded as early as 6,600 years ago by the Gunditjmara people along some 30 km of waterways comprising the Lake Condah and Darlot Creek drainage system. They engineered a complex system of weirs in a farming system that trapped eels, provided them a yearly supply of food, and enhanced their survival by artificially maintaining water levels in Lake Condah during dry seasons.

Figure 56. Lake Condah Landscape



The eels provided such a reliable food and trade source that the local people settled and build stone houses, instead of living a nomadic existence (**Australian Government, 2004**). These are the only Aboriginal stone houses found in Australia. (**Victorian Govt, 2016**).

GMTOAC, with support from the Victorian Government, has filed (2015) an application for World Heritage Status based on unique heritage values.

BUDJ BIM COUNCIL

As part of the Native Title settlement, in 2007 the State of Victoria established a Co-management Agreement covering Mt Eccles National Park in south west Victoria, adjacent Lake Condah. As part of the settlement, the State also agreed to the freehold transfer of some 3,000 ha of land including Lake Condah, the Mission Station property, and other sacred lands to GMTOAC.

The Budj Bim Council was established in 2009 to bring together the key stakeholders to the agreement - Parks Victoria and other state agencies, the local Glenelg Hopkins Catchment Management Authority, and GMTOAC. Under this co-management arrangement, title to the park is retained by the state, but GMTOAC representatives contribute directly to this land council that shapes the ongoing management of the park.

A team of nine Budj Bim Rangers manage, conserve, and protect the natural and cultural values of Gunditjmara owned properties along the Budj Bim lava flow. The duties of the rangers consist of a variety of tasks, including cultural burning programs, designed to conserve and enhance existing natural and cultural values, the establishment of tourism and visitor facilities, and the creation and delivery of education programs for students and managers of livestock.

"Budj Bim will become a significant national and international tourism destination – one of Australia's great national heritage landscapes, and it will be recognised nationally and internationally as a special place that offers unique and authentic visitor experiences of a living Indigenous culture, a history and an environment which does not exist anywhere else."
Budj Bim Master Plan 2014

Figure 57. Historic Gunditjmara Stone Houses



GMTOAC Native Title consists of the non-exclusive right to:

- 1. have access to or enter and remain on the land and waters,*
- 2. camp on the land and waters landward of the high-water mark of the sea,*
- 3. use and enjoy the land and waters,*
- 4. take the resources of the land and waters, and*
- 5. protect places and areas of importance on the land and waters.*

The Council is currently advising the Traditional Owners and the GMTOAC to implement the Budj Bim Master Plan 2014 (2014),. The Plan is a comprehensive 25-30 year strategy to establish a world class cultural and environmental interpretative and tourism centre, based around Lake Condah, the old mission area, and the Budj Bim landscape. Tours are currently available of the Lake Condah area, and visitors can see eel and fish traps, and the only remaining permanent houses built by an Indigenous community in Australia. (Department of Environment, 2016).

BUDJ BIM MASTER PLAN

The tourism development concept has been comprehensively detailed in the Budj Bim Master Plan, with funding from the State Government's Advancing Country Towns Project (Tract Consultants, 2014). This venture is an extensive project to be achieved over the next decade or so, subject to resources.

The Master Plan is not a detailed schedule of construction, but rather an enabling document for GMTOAC, regional planners, governments, and the tourism sector to create public-private partnerships to incrementally develop tourism products and resources across the Budj Bim Landscape.

In 2012, 69,800 international visitors to Victoria participated in a local Aboriginal experience while in the state. Planners believe this 9.3% share of the Australian market for "international Aboriginal experience tourism" provides a great opportunity for Aboriginal tourism to increase its economic contribution to the state and to provide unique, authentic and place specific visitor experiences.

The Budj Bim National Heritage Landscape (an area of approximately 8,155 ha) falls within the Great Ocean Road tourism region. The Great Ocean Road is one of 10 regions in Australia considered a nationally significant landscape - it attracts over 8 million visitors per year. The Broader Discovery Coast Region which includes Glenelg Shire and the western part of Moyne Shire captures around 7%

of total visitation to the Great Ocean Road, attracting 566,000 visitors including 306,000 overnight and 260,000 daytrip visitors.

Research into Victorian visitor markets forecasts that 8% of visitors to Victoria would visit Budj Bim if it were developed further into a defined Indigenous product. The tourism consumer segments identified include (**Tract Consultants, 2014 p. iv**) socially aware domestic visitors, international experience seekers, domestic retired self-drive visitors, corporate business visitors, education market, coach and tour visitors, and special interest groups.

New visitor infrastructure and interpretive devices are being designed to expand visitor experiences to the Budj Bim landscape. As identified in the Budj Bim Master Plan 2013, the stage one priority projects include the following:

- Traditional aquaculture centre and bridge at Lake Condah,
- Upgrade of the visitor centre and facilities at the Mt Eccles National Park,
- New visitor facilities and signage at entrance of Lake Condah Mission,
- New walkways and interpretation devices at Kurtonitj,
- New walkways and creek crossing at the Tyrendarra Indigenous Protected Area,
- New visitors place at the Tyrendarra Recreation Reserve,
- New roadside directional signage along the Princes Highway on the roads at Tyrendarra, Ettrick and Condah.

The Gunditj Mirring Commercial Tourism Program (based on the Master Plan) was endorsed by the GMTOAC Full Group in 2014/2015. The new program will provide access to Gunditj Mirring properties along the Budj Bim landscape to established tourism operators who successfully engage Gunditjmara interpretative tour guides. A cultural interpretation for tourism program to enhance the narrative and storytelling skills of Gunditjmara people has been developed. A tender process for tour operators to deliver tours on Gunditj Mirring properties was launched in early 2016.

3. PROPOSED WILD CATCH PIPI FISHERY

Pipi is the common name given to the small bivalve which is found on high-energy sandy beaches in the intertidal zone at Discovery Bay in western Victoria and across the border into South Australia.

Discovery Bay Coastal Park is in south-west Victoria between Portland and Nelson adjoining the SA border, about 420 kms from Melbourne and 490 kms from Adelaide. The Gunditjmara people are considering this beach location for a Pipi harvesting venture – either as a customary fishery, or as a commercial harvest by Indigenous women for supply to a seafood processor.

Gunditjmara People can progress their Pip venture under a number of possible fishery sectors recognised in Victorian legislation.

ABORIGINAL CUSTOMARY FISHING

The State of Victoria recognises the fishing rights of Traditional Owners under the Traditional Owner Settlement Act 2010 (Vic). This legislation describes Aboriginal people with traditional and cultural associations to certain lands. It includes persons determined to hold native title under the Native Title Act 1993 (C'wlth).

Customary Fishing is fishing undertaken by Traditional Owners for the purposes of satisfying their non-commercial personal, domestic or communal needs in accordance with traditional laws and customs. As part of the Strategy's implementation, an interpretation of this definition will be developed that appropriately reflects both the aspirations of Traditional Owners and Government policy directions.

Figure 58. Proposed Pipi Fishery and Discovery Bay Shoreline



The State of Victoria manages an Aboriginal Fishing Strategy that seeks to achieve three key outcomes:

- Recognition of Aboriginal customary fishing rights for Recognised Traditional Owner Groups,
- Better economic opportunities for all Aboriginal people in fishing and related industries, and
- Sustainable fisheries management in collaboration with Traditional Owner Groups.

The Traditional Owners Settlement Act enables Traditional Owners to negotiate a Natural Resource Agreement with the Victorian Government to recognise their rights to take and use specific non-fauna natural resources and provide input into the management of land and natural resources. Recent changes (November 2016) to the Act that will come into force on 1st May 2017, will enable Indigenous organisations to establish an uncapped harvest of non-fauna species, where taken on Indigenous land, for personal or communal (i.e. non-commercial) use.

While these new amendments obviously exclude the harvest of eels and pipis, the intent of changes to the Act based on verbal advice (16 Nov. 2016) from the Victorian Dep't of Justice is to enable Indigenous Traditional Owners to negotiate

with other state agencies regarding the customary harvest of fauna and fishery species on a case by case basis, and their potential commercial use.

Figure 59. Pipsis Harvested on the Southern Australian Coast



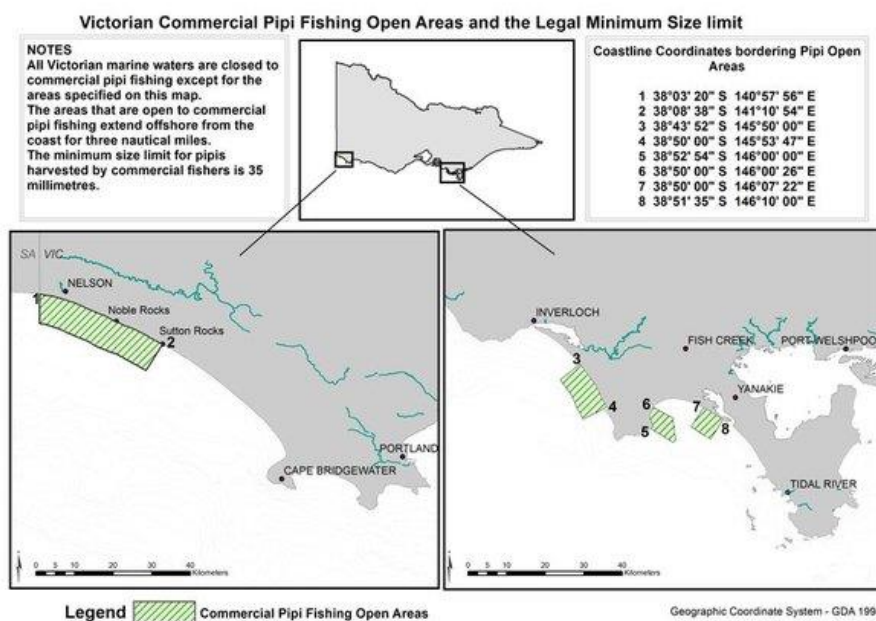
RECREATIONAL FISHING

A Victorian State Recreational Fishing Licence covers all forms of recreational fishing in all the state’s marine, estuarine and inland waters (Fisheries Victoria, 2016). A fishing licence is not required if you are a member of a traditional owner group fishing within an area subject to a natural resource agreement relevant to that traditional owner group.

COMMERCIAL FISHING

The GMTOAC has investigated applications for Indigenous use and commercial Pippi harvest licences on marine coastal beaches on the VIC - SA border. The following map identifies the relevant pippi fisheries areas.

Figure 60. Map of Western Victorian Pippi Fisheries



Further development of this initiative is uncertain due to the current enforced “Special Administration” imposed by ORIC on the GMTOAC.

4. REGIONAL CONTEXT

Indigenous people comprise 0.7% of the Victorian population (2011 Census), and at 22 years are on average 15 years younger than the median age for non-Indigenous Victorians (Dept of Planning and Community Development, 2012).

Gunditjmara country falls within and comprises around 50% of the South West Region of Victoria (Victorian Government, 2014).

The population of the Glenelg, Moyne, and South Grampians Local Government Areas is forecast to grow 18% over the next decade, from 52,528 people in 2011 to 62,043 by 2031. Significant demographic changes are forecast in the region - the percentage of the population over 60 years in the region is forecast to grow at a faster rate, from 23% to 31% over the same period.

The Region’s Growth Plan 2014 notes several drivers of change in the region, with the following identified as relevant to this case study:

- Economic development and industrial expansion, rather than population increase,
- Key industries where new investment is anticipated, in particular dairying, forestry, mining, mineral sands processing, waste and resource recovery, energy and tourism,
- Maximising economic opportunities for increases in productivity and innovation, improved education and training, and supporting infrastructure,
- Sustainably developing and managing the region’s environmental and cultural heritage assets, contributing to future prosperity and liveability—these assets (soils, water resources, biodiversity landscapes and cultural heritage) constitute major competitive advantages and supply a wide range of environmental and cultural values.

The Plan cites a range of growth opportunities, including:

- Recreational fishing and marine-based tourism, sustainable commercial fishing, aquaculture, renewable energy production and marine and environmental science research and education,
- Sustainable development of the tourism industry based on environmental and cultural heritage assets - Great Ocean Road and coastal towns, crater and lakes, Portland and the Discovery Coast, Warrnambool, Koroit and Port Fairy, Grampians and Western District towns.

The Plan notes that “Registered Aboriginal Parties will have an important role in planning place-based activity and development, and there are benefits to engaging with the relevant Aboriginal community organisations early in strategic planning processes”.

Heritage values are highlighted for the Budj Bim National Heritage Landscape incorporates the Mount Eccles-Lake Condah area, and the Tyrendarra area, Condah Mission Station, and Framlingham Aboriginal Reserve.

The town of Heywood is forecast to achieve “medium growth” over the next decade but has been flagged as a tourism development opportunity as the gateway to Budj Bim National Heritage Landscape (Victorian Government, 2014 p. 58). Heywood is adjacent two significant tourist growth corridors – the extended South Coast Great Ocean Road, and the Portland-Hamilton transport corridor.

5. COMMUNITY CAPACITY

The following analyses aggregates data from five Indigenous Locations (ILOCs) and one Local Government Area (LGA) in the 2011 Australian Census:

- ILOC20201202 Framlingham,
- ILOC20201301 Glenelg North – Heywood,
- ILOC20201302 Portland,
- ILOC20201303 South Grampians,
- SA217021430 Moyne West,
- SA215011393 West Wimmera.

INDIGENOUS PEOPLE OF WORKING AGE

Based on the 2011 Census, for the Gunditj Mirring Community:

- There is a total of 707 Indigenous people – 51% are female,
- Working age (15-64 years) males and females comprise 54% of the community, compared to 60% for all Indigenous people in Australia,
- Working age people tend to be older compared to the national Indigenous average,
- 30% of working age males and 27% of working age females hold a qualification, above the 25% average for all Indigenous Australians.

Gunditj Mirring 2011	Males	Females	Total	%	Indigenous Australia	%
Total People	346	361	707		548,367	
<u>Working Age Groups</u>						
15-24 yrs	37	59	96	25%	105,644	32%
25-44 yrs	83	84	167	43%	139,474	42%
45-64 yrs	59	63	122	32%	85,378	26%
Total working age	179	206	385	100%	330,496	100%
<u>% of People in Community</u>						
15-24 yrs	11%	16%	14%		19%	
25-44 yrs	24%	23%	24%		25%	
45-64 yrs	17%	17%	17%		16%	
Total working age	52%	57%	54%		60%	
% with qualification	30%	27%	29%		25%	

- Available 2016 Census data indicate the greater Gunditj Mirring population trends since 2011 Census. The regional community Indigenous population has grown from 707 to 761, with growth for males (7.7%) slightly less than for females (10.0%). In the working age groups, strongest growth is in the 15-24 years cohort, for both males (105%) and females (10%). The 45-64 years cohort has also grown for

both males (14%) and females (30%). Both males (-33%) and females (-12%) have declined in the 25-44 years cohort. Overall the number of working age people across all ages has grown 9%, from 385 to 420 people.

QUALIFICATIONS OF INDIGENOUS PEOPLE

- No males and 23% of females hold Post Graduate or Bachelor qualifications, with the latter spread across the 25-54 years age group,
- Qualified males are represented more in older age groups compared to the national Indigenous averages at each age group,
- In the 20-24 years age cohort, the Gunditj Mirring community has no qualified males, compared to 13% for the national Indigenous average, but females at 23%, are well above the national average (13%).
- Qualified females in each age cohort broadly reflect the national Indigenous averages, although with a little more variance in some cohorts.

Gunditj Mirring 2011	Post Graduate	Bachelor	Diploma	Certificate	Total	%	Indigenous Australia	%
Males								
15-19	0	0	0	6	6	10%	1,956	5%
20-24	0	0	0	0	0	0%	5,006	13%
25-34	0	0	0	8	8	15%	10,010	26%
35-44	0	0	3	11	14	26%	9,910	26%
45-54	0	0	3	17	20	37%	7,679	20%
55-64	0	0	0	6	6	11%	4,025	10%
Total	0	0	6	48	54	100%	38,586	100%
	0%	0%	11%	89%	100%			
Females								
15-19	0	0	0	3	3	5%	2,145	5%
20-24	0	0	0	13	13	23%	5,809	13%
25-34	0	4	0	7	11	20%	12,068	28%
35-44	0	3	7	3	13	23%	11,371	26%
45-54	3	3	4	6	16	29%	8,327	19%
55-64	0	0	0	0	0	0%	3,719	9%
Total	3	10	11	32	56	100%	43,439	100%
	5%	18%	20%	57%	100%			

EMPLOYMENT

- 42% of the Indigenous people are employed (46% male and 38% female), compared to the national Indigenous average of 40%,
- 83% of those directly employed are in private employment, compared to a national Indigenous average of 75%,
- CDEP participation in this community is nil for the working age population, compared to a national average of 1.5%.

Gunditj Mirring 2011	Males	Females	Total	%	Indigenous Australia	%
People employed	92	89	181	100%	147,717	100%
Gov't employees	11	16	27	15%	33,310	23%
Private employees	81	69	150	83%	110,513	75%
Other	0	4	4	2%	3,894	3%
Unemployed	24	18	42		30,460	
Outside the labour force	70	112	182		155,889	
CDEP	0	0	0	0%	4,838	1.5%
% employed in population	46%	38%	42%		40%	

B. FISHERY PARTNERS

The Gunditjmara community is represented by the two Aboriginal Corporations. They propose to establish long term partnerships with regional and national stakeholders to develop their two fishery / tourism ventures.

1. GUNDITJ MIRRORING TRADITIONAL OWNERS ABORIGINAL CORPORATION RNTBC

The corporation was first registered in 2006 and reregistered as a prescribed body corporate (PBC) following the determination of Native Title in 2011.

- The corporation currently represents around 380 Gunditjmara people,
- Native Title was determined in March 2007, and covers 132,000 ha,
- The primary purpose of the corporation is to manage the community's Native Title / Cultural Heritage,
- The corporation manages a range of stakeholder networks and staff to support Native Title and cultural heritage,
- In June 2015, the corporation had three directors, net assets of \$5.96 million, and achieved a profit of \$0.45 million from a comprehensive income of \$1.956 million. The Corporation owns freehold land parcels with an aggregate value of \$3.25 m in the Native Title area, excluding any value assigned to heritage sites.

2. WINDA-MARA ABORIGINAL CORPORATION

The corporation was registered in 1990.

- The corporation currently represents around 160 Gunditjmara people,
- The primary purpose of the corporation is to manage assets and provide services to the community across several sectors: Agricultural, Forestry and Fisheries; Housing; Education; Health and Community Services; Employment and Training; and Land Management,
- The corporation operates other commercial enterprises, solely or as joint project partnerships, including residential accommodation rental (2016 income of \$205,000), a tourist park facility, livestock production and agistment services (2016 income of \$121,000), ranger services, land and sea management services, heritage services, national park co-management services,
- The corporation has deductible gift recipient status,
- In June 2016, the corporation had seven directors, net assets of \$7.84 million, and achieved a profit of \$0.12 million from a total income of \$4.30 million. The Corporation employed 63 people.

3. OTHER PARTNERS

It is envisioned that a range of partners will be progressively identified to join the two ventures proposed below, as they are commercially developed.

In the Budj Bim Eel farming tourism venture, for example, it is anticipated that funds for the project accommodation developments in Stage 2 and Stage 3 will be developed through a joint venture partnership or lease-hold arrangement. This will limit GMTOAC's exposure to financial risk, whilst maintaining the financial sustainability of the Heritage Landscape and expanding employment opportunities for the Gunditjmarra.

In the proposed Pipi venture, there will be need for partners to support the project in a number of ways (finance, training, seafood processing, etc) subject to how it is developed as a customary, recreational or commercial venture.

C. THE PROPOSED FISHERY & TOURISM VENTURES

1. BUDJ BIM VENTURE

VISION

The Budj Bim National Heritage Landscape will be recognised as one of Australia's great National and (future) World Heritage landscapes. It will be universally recognised as a place with:

- A living Aboriginal culture and home to the Gunditjmarra people,
- Unique natural landscapes with sustainable ecological and landscape systems,
- Internationally recognised cultural heritage values - values which link all cultures and people,
- Enriching and memorable experiences for visitors and guests - experiences that are unique to this place and to the Gunditjmarra people,
- Strong and successful partnerships between traditional owners, governments and the tourism industry, providing world's best practice in caring for country and sustainable tourism,
- Partnerships with regional, national and international cultural tourism sites and related institutions.

MISSION

There is strong support among Gunditjmarra People for the concept of developing sustainable tourism within the Budj Bim Landscape. That landscape development and use must be based on a set of principles that recognise the special nature of the place and the rights and needs of the Gunditjmarra community. The GMTOAC will manage this venture on behalf of the Gunditjmarra People.

STRATEGY

The Master Plan develops a range of integrated site uses and facilities, including day-use facilities; onsite accommodation; roads and trails; cultural and interpretation experiences; education, research and training; events and festivals; and support infrastructure (e.g. food and retail).

Winda- Mara Aboriginal Corporation

Vision:

"The Corporation is recognised as a progressive leader and a catalyst for positive change enabling Aboriginal people in Victoria's far south-west to lead fuller lives."

Winda Mara Directors
Report 2016

The staged development strategy will:

- In the short term (0-5 years), Budj Bim will continue to target its existing visitor markets (education, special interest, business/cultural awareness tour visitors), while expanding into the self-drive and bus/coach tour market of the Great Ocean Road region. The target visitation over this period is approximately 56,000 visitors annually.
- In the medium term (5-15 years), Budj Bim will expand in the niche visitor markets (education, special interest, business/cultural awareness tours and self-drive and bus/coach tour market) and broader experience seeker markets through development of various accommodation products. The target visitation over this period is approximately 86,000 visitors annually
- In the long term (>15 years), Budj Bim will be identified as a World Heritage site with established business and tourism networks and a mature range of tourism products. The target visitation in this period is more than 150,000 visitors annually.

VIABILITY

Master Plan analysis of the estimated construction costs and total economic impact of additional visitor expenditure for Stage 1 (\$1.64 million) and Stage 2 (\$3.68 million) indicates a Net Present Value (NPV) of Net Economic Benefits will be achieved in Year 16 at an 8% discount rate.

2. WILD CATCH PIPi VENTURE

VISION

A sustainable wild catch Pipi fishery managed and operated by Gunditjmarra People in Discovery Bay.

MISSION

To establish and manage a wild catch Pipi Fishery (customary, commercial and/or recreational) in Discovery Bay for the economic benefit of Gunditjmarra People.

STRATEGY

The project concept, economic development strategy and competitive advantages are yet to be developed.

VIABILITY

The commercial feasibility and viability of this Pipi venture is yet to be formally described and determined.

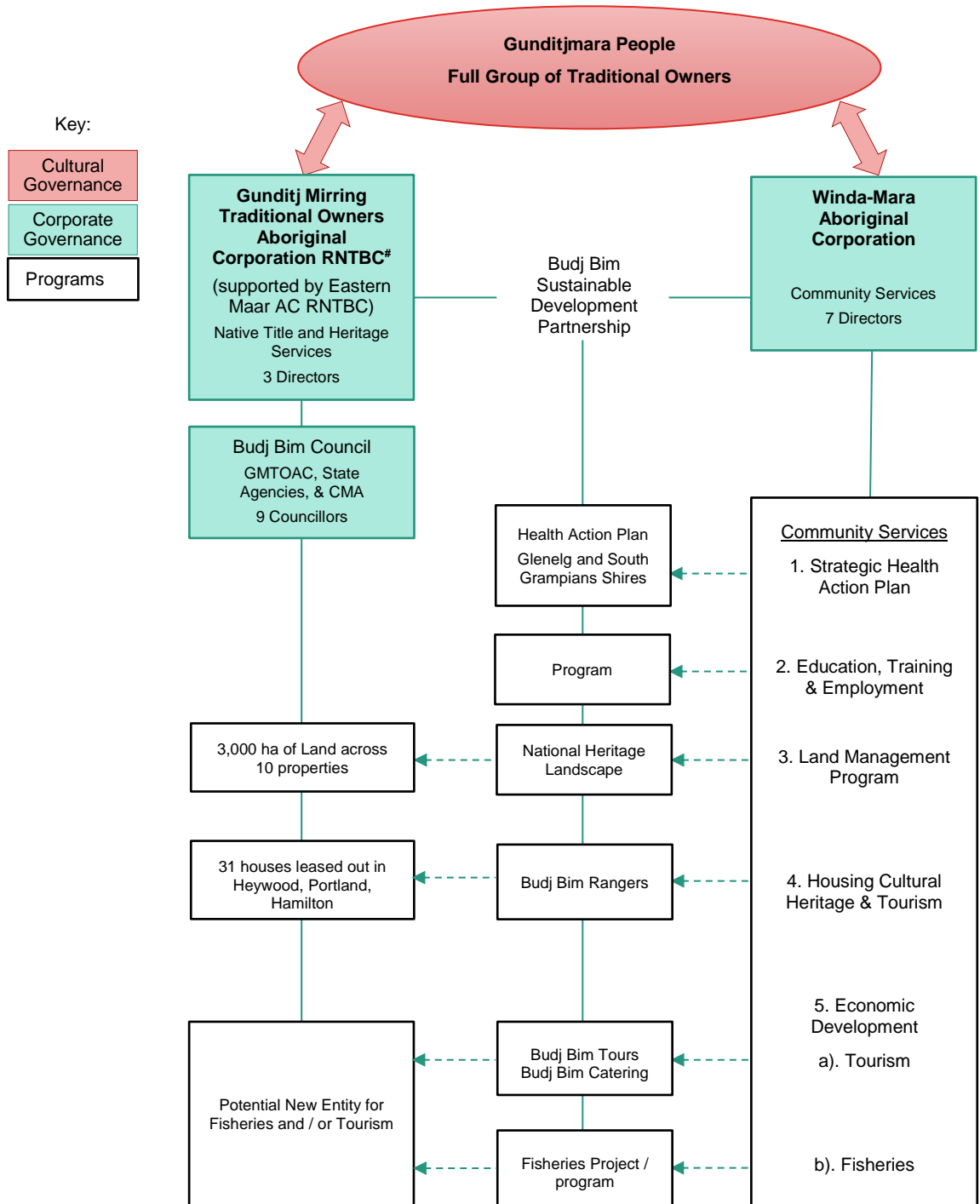
3. COMPETITIVE ADVANTAGES

The Gunditjmarra Community case studies highlight a number of competitive strengths including ready access to experienced leaders, extensive agency support, attractive location for passing tourism trade and access to seafood supply chains, primacy of eel resources and potential primacy over Pipi resources.

D. GOVERNANCE

The governance structure for the Gunditj Mirring Community is presented below. This community approach is a hybrid of the Family Governance Model identified in chapter 2, section D (Governance Models), but more complex than other cases. The complexity arises due to the more mature role played by this community in governance, including for multiple entities and investment management areas.

Figure 61. Gunditjmara Case Governance Model



Currently under Special Administration by the Office of the Registrar of Indigenous Corporations

Gunditj Mirring Traditional Owners Aboriginal Corporation RNTBC

This corporation manages all Native Title and cultural Heritage Issues, and owns real assets

Winda-Mara Aboriginal Corporation

This corporation provides services to the local Aboriginal communities in and around the far south west Victorian towns of Heywood, Hamilton and Portland. Winda-Mara staff provides a broad range of services in the following fields – Health, Community Services, Housing, Land Management, Heritage & Culture, Economic Development, Tourism, Family Services and Kinship Care, Home and Community Care, and Education & Training and Employment.

E. CASE STUDY ASSESSMENT AND INSIGHTS

This Gunditj Mirring Case Study is based on one of the most mature and well established Indigenous seafood communities in Australia.

The case includes two ventures, one currently being developed based on traditional eel aquaculture, and the other based on wild Pipi harvest that is in the early stages of proof-of-concept, strategic assessment and financial feasibility review. For the purposes of this case study the economic development progress of these ventures has not been pursued since mid-2017 due to the Special Administration imposed by ORIC on the GMTOAC.

The following table assesses the Gunditj Mirring Community Case Study across the IRG's 11 Strategic Principles and 5 Aspirations.

The study is found to meet most of the criteria, with few gaps.

It is noted that these proposed ventures are in concept-testing stages of their development and are not yet investment ready or operational - the assessment may vary marginally if or when the ventures commence.

CASE ASSESSMENT		Assessment Criteria				
<p style="text-align: center;">Gunditjmara, Heywood, VIC (GMTOAC – Gunditj Murring Traditional Owners Aboriginal Corporation)</p>		<p>1. Process to determine an Indigenous catch and allocation model</p>	<p>2. What legislation, policy, management strategies impact on Indigenous cultural fishing practices</p> <p>3. What fishing and non-fishing practices impact on Indigenous cultural fishing practices, including identifying key iconic species</p> <p>4. Identify models to incorporate TFK into Aquatic Resource Management (ARM) processes.</p>	<p>5. Address barriers to full and effective Indigenous involvement in decision making forums</p> <p>6. Improve the involvement of Indigenous people in all levels of Aquatic Resource Management (ARM)</p> <p>7. Identify cost benefit of effective Indigenous consultation & extension</p>	<p>8. New models to ascertain the value of Indigenous fishing/seafood</p> <p>9. Management measures to boost Indigenous access to commercial resources</p> <p>10. Commercial initiatives to boost Indigenous interests in sector</p> <p>11. Explore new benefit sharing models re fisheries use & access (e.g. employees)</p> <p>12. Opportunity for Indigenous branding of seafood and fisheries product</p>	<p>13. Build capacity of mainstream sectors to effectively engage with Indigenous fishing sector and communities</p> <p>14. Improve capacity of /opportunity for Indigenous people to engage in R&D, fisheries management, & commerce</p> <p>15. Building understanding of fishing industry structures and processes</p> <p>16. Research outputs and information are available in appropriate formats and language (extension and adoption)</p>
Principles	1. Primacy	2. Cultural Practice	3. Self Determination	4. Economic Development	5. Capacity Building	
<p>1. Recognition of People</p> <p>2. Fishery access and value</p> <p>3. Governance, representation & management</p> <p>4. Resourcing for involvement</p> <p>5. Capacity – and empowerment</p> <p>6. Agency capacity re TFK, expertise, and processes</p> <p>7. Customary rights, TFK & TFM</p> <p>8. Awareness of impacts on environment and traditional harvest</p> <p>9. Fishery management to improve access, protection and bring TFK and TFM input to processes</p> <p>10. Increased value - economic, social, cultural, trade, health, environmental</p> <p>11. Benefit sharing</p>	<ul style="list-style-type: none"> Indigenous community members are directly involved in governance and decision making at all levels from commencement of the venture. Indigenous people are primary partners and beneficiaries in the social, cultural and commercial design and investment of the venture The GMTOAC/Winda-Mara entities will own relevant fishery, aquaculture, tourism licenses and therefore Indigenous primacy of aquaculture stocks, harvest allocation and all related venture assets are fully achieved from venture inception. 	<ul style="list-style-type: none"> The GMTOAC/WMAC intend to pursue commercial ventures based on customary fishery and aquaculture techniques. Cultural fishing practices offer longer term opportunity for potential tourist venture competitive advantage - TFK / TFM is to this competitive advantage. The proposed ventures will enable economic development in community hands and relevant TFK will be integrated. GMTOAC / WMAC have a clear structure and mandate to secure commercial return and so reinvest in new fishery / tourism ventures using TFK and TFM. Option exists to further leverage these Indigenous assets via Indigenous brands in consumer markets. 	<ul style="list-style-type: none"> There are no apparent barriers to the full and effective Indigenous involvement in decision making. There will be need for ongoing training programs (governance, technical etc.) to enable the Indigenous capacity for the eel tourism and pipi ventures. Specific venture evaluation studies (environmental, social, market, financial) of the respective inputs from the parties and related extension, are yet to be completed. 	<ul style="list-style-type: none"> The ventures have yet to establish a market for their outputs, a sales proposition to offer value to consumers, or a business model to leverage their assets and Indigenous heritage. The Gunditjmara people and related corporations have created a direct and professional approach to investing in economic development. Strategy documents are yet to be developed for these ventures, but Indigenous people will dominate the relevant Boards and take up employment. Indigenous tourism and or commercial seafood market collateral and branding are yet to be considered by the ventures. 	<ul style="list-style-type: none"> These proposed ventures are to be based on commercial objectives that will build and employ the capacity (cultural, TFK, TFM, and service) of the Indigenous community. The ventures will engage Indigenous people at Director, employee and expert levels of management and commerce and in all structures and processes. Indigenous people will need to build their understanding of fishing and aquaculture industry structures and processes. The venture has no specific measures at present to engage Indigenous people in R&D, but that will occur as they are embedded in all levels of the venture. 	
Summary Conclusions						
A. Fishery Model – enterprise, management and legislative	<ul style="list-style-type: none"> The commercial tourism model is yet to be defined and established Indigenous catch and access are yet to be defined for the pipi venture Indigenous investors involved in design, setup, and management. 	<ul style="list-style-type: none"> TFK & TFM are fundamental to the eel tourism venture. It is too early to determine if TFK or TFM are to be integrated in the potential pipi venture 	<ul style="list-style-type: none"> Indigenous TOs and their communities are aware of the enterprise, relevant legislation and management matters, and have full control over their decision-making rights and processes. 	<ul style="list-style-type: none"> The ventures will propose business models that maintain and enhance cultural assets while targeting commercial tourism and fishery objectives, and comply with relevant legislation. 	<ul style="list-style-type: none"> The GMTOAC / WMAC business model for the tourist venture will bring together Indigenous and Non-Indigenous investors and regional tourist operators for mutual commercial advantage. 	
B. Gap analysis	<ul style="list-style-type: none"> Feasibility of the eel tourism and pipi ventures is yet to be confirmed. Pipi venture primary matters yet to be determined 	<ul style="list-style-type: none"> There are no cultural practice gaps, as the TOs and Communities are engaged directly in all aspects of the eel tourism venture, and the potential pipi venture. 	<ul style="list-style-type: none"> Potential gap in governance and technical knowledge (tourism, commercial fishing, processing) and skills of Indigenous people – to be revealed over time. 	<ul style="list-style-type: none"> Potential gap re management measures or commercial initiatives to boost local Indigenous engagement in and access to commercial resources within or outside the two ventures 	<ul style="list-style-type: none"> Potential gap re R&D outputs in appropriate formats and language Potential gap re engagement of all demographics – eg young people 	
C. Preferred development pathway defined	<ul style="list-style-type: none"> Documented strategic and operational plans are yet to define the pathway for KPIs and ROI targets over first 5 years. 	<ul style="list-style-type: none"> A documented strategy is yet to be developed to show the pathway for use of TFK / TFM. 	<ul style="list-style-type: none"> Development pathways are clear for the eel tourism venture and yet to be determined for the pipi venture. 	<ul style="list-style-type: none"> The ventures are yet to establish and documented a clear and professional economic development pathway 	<ul style="list-style-type: none"> The development pathway for building joint capacity for engagement, management, R&D, etc, is not yet developed. 	
D. Case Study Extension Strategy	<ul style="list-style-type: none"> Extension and engagement strategy to be assessed and potentially developed by GMTOAC / WMAC and its various partners as the ventures are considered and developed. Due to the evolving nature of the two ventures, it is uncertain yet as to whether any specific measures or commercial initiatives will be created to boost Indigenous access to commercial resources within or outside the venture 					



9. CASE STUDY 6. FAR WEST COAST COMMUNITY, SA

A. BACKGROUND

1. THE CASE

Indigenous Corporations are developing commercial, recreational and customary fishery activities on traditional coastal country in the far west coast of SA.

Evidence of long term Indigenous activity has been confirmed in this country for the Kokatha, Mirning, Oak Valley, Roberts, Wirangu and Yalata People.

These six “cultural groups” across three separate languages, are the traditional owners of this vast expanse (75,000 sq. klms) of arid land and mostly rugged marine coastline. The area includes many sites of significance in coastal country, wooded coastal plain and dry inland salt-lake, soak and sandhill country.

Figure 62. Far West Coast Land and Sea Country



In 2007 the six cultural groups formed the Far West Coast (FWC) and Iluka Resources Liaison Committee (incorporated in 2008 as Far West Coast Traditional Lands Assoc. Inc.). The purpose of this Committee was to jointly negotiate commercial mining of mineral sands on Indigenous land by Iluka Resources Ltd, a global mineral sands company based in Perth.

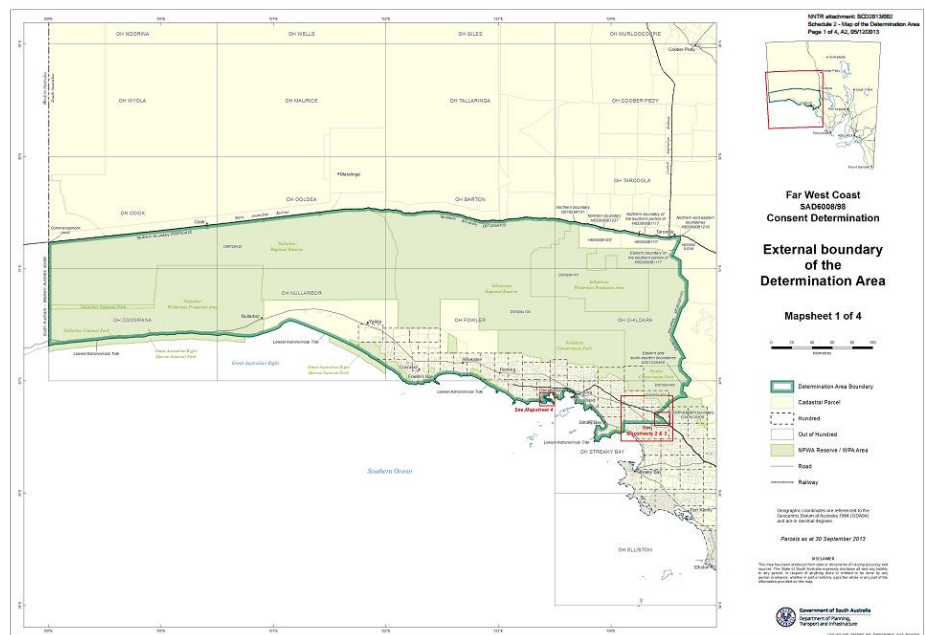
The negotiations were successfully concluded, and the Liaison Committee also established a commercial revenue stream to the land holders through leasing machinery to the mine (from Feb. 2010). During 2008-10, the Association progressed its commercial arrangements and engaged Adelaide based professional corporate and financial advisors. The Committee:

- Established Far West Coast Investments Pty Ltd,

- Established Far West Coast Aboriginal Community Charitable Trust,
- Opened an office in Ceduna (September 2010),
- Established Far West Mining & Civil Pty Ltd as machinery lessor,
- Secured a business loan (\$1.4 million) from Indigenous Business Australia to buy mining equipment to be leased out (the loan was repaid 3 years),
- Recruited external professional managers to support the organisation and focus on economic development.

In December 2013, the clans were collectively granted a single native title claim over these lands and the Far West Coast Aboriginal Corporation RNTBC (FWCAC) was established, based in Ceduna.

Figure 63. Map of Far West Coast Case Native Title Area



The Native Title determination area includes the towns of Ceduna/Thevenard, Denial Bay, Smoky Bay, Penong, Fowlers Bay and Coorabie. Over 85% of the determination area is land dedicated as national park, reserve or wilderness area.

Native Title is financially compensated through land use agreements. In March 2015, FWCAC received the Native Title Settlement (\$5 million, plus Fowlers Bay land blocks and co-management rights over lands and parks) from the SA Government. These funds are then utilised by the business arm (Far West Coast Investments) to generate further income and these funds flow back to the members of Far West Coast Aboriginal Corporation in the form of assistance programs that have been developed in line with the following aims

FAR WEST COAST INDIGENOUS COMMUNITY AIMS

Through a united and cooperative approach, the six cultural groups in the FWCAC want to:

- Ensure Native Title Rights to Far West Coast traditional lands are exercised and maintained,

FWCAC What we have learned

- We've learned that structure, policy and procedures are all about efficiency and require constant review.
- Constant review does not constitute constant change, it's about continuous improvement
- That all review is done in line with long term aspirations and not short term fixes
- That business is complex, full of regulations, laws and statutory obligations
- That there's no shame in asking for help.
- There's a balance between acknowledging the past, providing for the needs of the present and ensuring the future and that this has to be represented with a balance of retention, investment and distribution
- *FWCAC presentation to Conference - Aboriginal Enterprises in Mining Energy and Exploration 2015*

- Enhance the recognition and respect of the Aboriginal cultures and heritage within the Far West Coast region,
- Provide the children of Native Title Holders with a future which supports their cultural, social and economic needs,
- Ensure assistance is available to support the wellbeing of members of the Far West Coast Native Title Holding Community and other Aboriginal people living in the Native Title area,
- Create and maximise business and economic opportunities to generate profits and, Aboriginal employment outcomes for the benefit of the Far West Coast Native Title Holding Community,
- Foster harmony and inclusivity for Far West Coast Native Title holders in Native Title determinations.

Today commercial matters relate to the management of businesses that create wealth that can be utilised in meeting the aims of the Far West Coast Aboriginal Corporation. FWCAC and its Indigenous community own and operate a number of commercial businesses servicing the various mines (270 km north west of Ceduna), and providing services to communities and regional west coast regional centres. New ventures are planned based on commercial, recreational and customary fishing and tourism.

FWCAC is the sole shareholder of Far West Coast Investments Pty Ltd (acting as the trustee) but is not the manager of the company or trust.

The organisational structure requires people to “wear the right hats at the right meeting” so community activity and governance has been separated from commercial activity to avoid conflicts of interest and adverse decision-making processes. Separation of Cultural Governance and Corporate Governance is a strong underlying theme across the community's organisational structure.

2. REGIONAL CONTEXT

Over the last 10 years the six clans have worked together on commercial developments, supported by a number of national, state and regional organisations and agencies, including Indigenous Business Australia, Commonwealth and SA Government agencies, Local governments, and Industry bodies in the mining, tourism, seafood, and agribusiness sectors.

The Eyre and Western Region of South Australia is geographically large (230,000 sq. km) and includes more than 1,800 km of regional and remote coastline. With a population of 59,200 people, the region contributes 90% of the state's seafood output. Ceduna, the 3rd largest town in the region, contains 3,834 people (**FWC SA Regional Plan 2012, 2012**) and is a popular tourist and “grey nomad” destination as well as a mineral and grain export port.

The region's projected population in 2021 is 60,685, with an ongoing trend for people to relocate from small settlements and towns to centres with more than 1000 people. In 2012 there were 2,723 Indigenous people living in the region, 4.6% of the regional population. The Region contains three Aboriginal communities: Yalata (150-200 people) in the far west, Koonibba (120-200 people) near Ceduna, and Oak Valley (80-100 people) on the Maralinga Tjarutja Lands. Ceduna also has a significant number of Aboriginal residents.

SA Government data (2014-15 Data SA) confirms that employment in the *Eyre-Western SA Region* is dominated (68%) by the Health, Retail and Education sectors, and a few large industries (iron and steel, construction, grains, sheep, food, transport).

Looking at those sectors that employ 93% of South Australians in the region, the fishing, aquaculture and seafood sector contributes a modest (6.2%) share of the regions jobs. However, this sector is a large regional exporter, at \$280 million annually. Cultural and recreational activities employ around 200 people in the region which generates regional exports of \$4 million annually and tourism income of \$1.8 million annually. Tourism is a rapidly expanding sector with visitors spending \$246 million in the region in 2011.

Regional Issues for this Case Study:

- Retaining and enhancing the region's unique natural assets and culture to support tourism
- Supporting aquaculture growth by allocating land for service providers and processing
- Protecting and encouraging diversification of activities on primary production land
- Supporting existing and new mining and energy developments
- Supporting and encouraging development of alternative energy resources
- Attracting and retaining a skilled workforce
- Supporting industries in adapting to the effects of climate change
- Retaining and attracting young people and skilled personnel
- Identifying cultural values and encouraging a 'sense of place' in each community
- Providing adequate and accessible community services
- Building population, employment and services in key growth centres that can also serve rural and remote residents and businesses

Eyre and Far West SA Regional Plan 2012

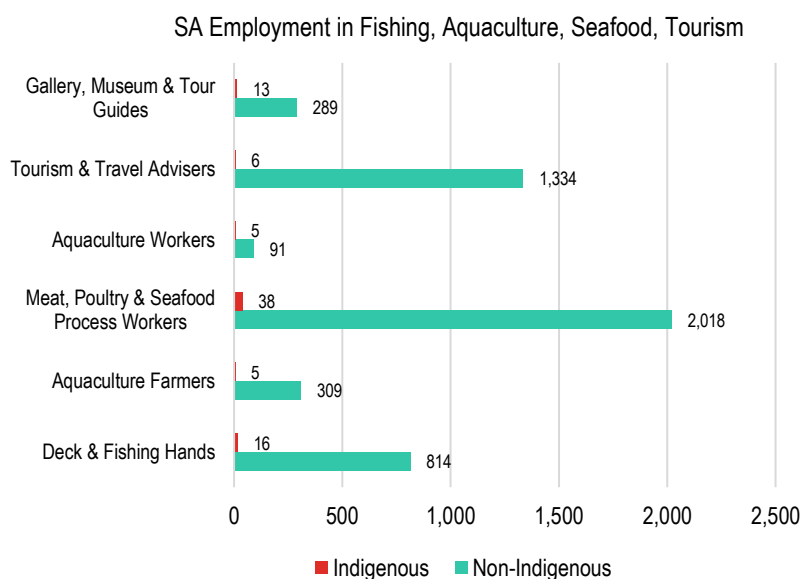
Eyre & Western SA Region Sector	Total Employment			Total Exports	
	(jobs)	(%)	(Cum.%)	(%)	(\$m)
Health & Community Services	3,509	13.7%	14%	0.0%	12.4
Retail Trade	2,563	10.0%	24%	15.4%	58.8
Education & Training	2,031	7.9%	32%	0.0%	10.7
Iron & Steel	1,707	6.7%	38%	0.0%	439.5
Grains	1,583	6.2%	44%	0.0%	600.8
Construction Services	1,021	4.0%	48%	0.0%	2.3
Food & Beverage Services	974	3.8%	52%	8.3%	24.8
Personal & Other Services	929	3.6%	56%	0.2%	1.3
Sheep	880	3.4%	59%	0.0%	151.9
Road Transport	798	3.1%	62%	1.1%	23.5
Aquaculture	708	2.8%	71%	0.0%	110.0
Fishing, Hunting & Trapping	667	2.6%	73%	0.0%	60.3
Processed Seafood	202	0.8%	92%	0.2%	70.3
Cultural & Recreational	201	0.8%	93%	0.7%	4.0

The following figure compares Indigenous and non-Indigenous employment in the fishing, aquaculture, seafood, tourism, cultural and recreational sectors. The figure shows the two groups are equally diverse in employment across the fishery and seafood sector.

Indigenous people are more strongly represented in aquaculture than non-Indigenous people, but their percentage employment in tourism, travel, galleries and museums lags that of the rest of the regional population.

Based on the existing regional sector profile there is real opportunity to develop fishing (commercial, recreational or customary) and seafood ventures that may intersect with unique tourism and cultural heritage activities in the region.

Figure 64. SA Key Sector Employment - Indigenous and Non-Indigenous



SA FISHERY SPECIES

Commercial, Recreational and Customary fishery species on the West Coast of South Australia include Abalone, Crab, King George Whiting, Southern Garfish, Snapper, Southern Calamari, Squid, Shark, Prawns, Rock Lobster, and Sardine.

Discussions with Executive Management of the Far West Coast Investments Pty Ltd have identified three potential ventures to satisfy these broad criteria:



Recreational Fishing Tours

Work with West Coast recreational fishers, industry and local governments to create recreational fishing tours that integrate Indigenous customary knowledge.

Seafood Trail

Work with West Coast tourism managers, seafood suppliers, retailers and local governments to create a "Seafood and Indigenous Experience" from Port Lincoln to Head-of-Bight.

Commercial Fishing

Work with West Coast commercial fishers, industry and SA Govt to invest in increased Indigenous youth employment in commercial fishing, seafood and related SMEs.

"I think the recreational fishing tourism idea linked to a seafood trail from Lincoln to Head of the Bight is worth exploring."

John Isgar,
General Manager FWCI

3. COMMUNITY CAPACITY

Native title rights and interests in the Native Title Land are non-exclusive rights to use and enjoy, in accordance with traditional laws and customs, the land and waters, being (selected items only):

- the right to access and move about the Land;
- the right to live, to camp and, for the purpose of exercising the native title rights and interests, to erect shelters and other structures on the Land;
- the right to hunt on the Land;
- the right to fish on the Land;
- the right to use the natural water resources of the Land;
- the right to engage and participate in cultural activities on the Land;
- the right to teach on the Land the physical and spiritual attributes of locations and sites within the Determination Area.

FWCAC Strategic Plan 2015–20

Self-reliance is considered a fundamental value in the Indigenous community that has come together in this case study. The shared vision for community wellbeing and business activities means that leaders must be appointed to manage and be accountable to the community owners of the shared assets. Indigenous leaders agree that community must have capacity in four areas: Strong Governance, Strong Leadership, Strong Structure, and Sustainability Planning.

The following analyses is based on aggregated 2011 Australian Census data from two Indigenous Areas (IAREs) in the:

- IARE403001 Ceduna,
- IARE403002 Ceduna-West Coast.

INDIGENOUS PEOPLE OF WORKING AGE

Based on the 2011 Census, for the Far West SA Indigenous community:

- There is a total of 1,515 Indigenous people – 53% are female,
- Working age (15–64 years) males and females comprise 65% of the community, compared to 60% for all Indigenous people in Australia,
- Working age people tend to be older compared to the national Indigenous average,
- 16% of working age males and 17% of working age females hold a qualification, below the 25% average for all Indigenous Australians.

Far West Coast 2011	Males	Females	Total	%	Indigenous Australia	%
Total People	713	802	1,515		548,367	
<u>Working Age Groups</u>						
15-24 yrs	121	129	250	30%	105,644	32%
25-44 yrs	192	244	436	45%	139,474	42%
45-64 yrs	146	148	294	25%	85,378	26%
Total working age	459	521	980	100%	330,496	100%
<u>% of People in Community</u>						
15-24 yrs	17%	16%	17%		19%	
25-44 yrs	27%	30%	29%		25%	
45-64 yrs	20%	18%	19%		16%	
Total working age	64%	65%	65%		60%	
% with qualification	16%	17%	16%		25%	

- Available 2016 Census data indicate the greater Far West SA population trends since 2011 Census. Far West SA Indigenous population has declined from 1,515 to 1,435, with growth for males (2.9%) offset by declines for females (12.6%). In the working age groups, strongest growth is in the males 45–64 years cohort at 11.6%, and 15–24 years at 7.4%. Two younger female working age cohorts declined: 15–24 years declined by 26%, and 25–44 years declined by 21%. The older female worker cohort had little change. Overall the number of working age people across all ages has declined 5%, from 980 to 928 people.

QUALIFICATIONS OF INDIGENOUS PEOPLE

- 4% of males and 19% of females hold Post Graduate or Bachelor qualifications, with the latter spread across the 25-54 years age group,
- Qualified males reflect national Indigenous averages at each age group,
- Qualified females are in older age groups, compared to national profiles.

Far West Coast 2011	Post Graduate	Bachelor	Diploma	Certificate	Total	%	Indigenous Australia	%
Males								
15-19	0	0	0	4	4	5%	1,956	5%
20-24	0	0	0	6	6	8%	5,006	13%
25-34	0	0	0	21	21	28%	10,010	26%
35-44	3	0	3	22	28	38%	9,910	26%
45-54	0	0	3	12	15	20%	7,679	20%
55-64	0	0	0	0	0	0%	4,025	10%
Total	3	0	6	65	74	100%	38,586	100%
	4%	0%	8%	88%	100%			
Females								
15-19	0	0	0	0	0	0%	2,145	5%
20-24	0	0	0	3	3	3%	5,809	13%
25-34	0	4	3	22	29	34%	12,068	28%
35-44	0	6	6	14	26	30%	11,371	26%
45-54	0	6	4	8	18	21%	8,327	19%
55-64	0	0	6	4	10	12%	3,719	9%
Total	0	16	19	51	86	100%	43,439	100%
	0%	19%	22%	59%	100%			

EMPLOYMENT

- 35% of the Indigenous people are employed (41% male and 31% female), compared to the national Indigenous average of 40%,
- 75% of those directly employed are in private employment, compared to a national Indigenous average of 75%,
- In addition to direct employment, CDEP participation in the region is strong at 5% (46 people) of the working age population, compared to a national average of 1.5% of working age people.

Far West Coast 2011	Males	Females	Total	%	Indigenous Australia	%
People employed	196	176	372	100%	147,717	100%
Gov't employees	32	41	73	20%	33,310	23%
Private employees	157	123	280	75%	110,513	75%
Other	7	12	19	5%	3,894	3%
Unemployed	29	33	62		30,460	
Outside the labour force	178	257	435		155,889	
CDEP	28	18	46	5%	4,838	1.5%
% employed in population	41%	31%	35%		40%	

B. FISHERY & TOURISM PARTNERS

This Far West Coast Indigenous Fisheries case study is based on three proposed ventures that the Board of Far West Coast Investments believe will meet their community's aims, listed above.

The ventures offer the opportunity to be undertaken in series or in parallel, over the near 1-3 year time frame, and to be developed discretely or combined as appropriate. The FWCI Management is currently undertaking "proof of concept" discussions for each venture - detailed development of the ventures and related feasibility studies have not yet been framed nor initiated. For example, the ventures will potentially access and leverage existing Indigenous cultural assets, including customary fishing knowledge (Traditional Fishery Knowledge – TFK, and Traditional Fishery Management – TFM) for the mutual benefit of tourists and the Indigenous community.

The ventures will potentially be implemented across the geographic coastal expanse of the Far West Coast Region (in particular, the coastal areas of the FWCAC Native Title land and sea country). An important component of project success will be to work with regional and local venture partners, industry, public organisations and agencies.

1. KEY PARTNERS

These ventures' concepts, aims and partnerships will be aligned as follows;

	1. Recreational Fishing Tours	2 Seafood Trail	3. Commercial Fishing
ABOUT	The Eyre and Far West Coast Region has the highest recreational fishing participation rate (34%) in SA and third highest in recreational (Fisheries Victoria Internal Report Series 62, 2015). Ceduna, Smoky Bay to Streaky Bay and Venus Bay attract most effort. Opportunity exists to to create recreational fishing tours that integrate Indigenous customary knowledge.	The Seafood Trail would be a joint marketing tool for existing tourism operators and seafood industry people to tap into. It would provide opportunity for new operators (for example: Far West Coast Aboriginal "Fishing Experience") to start up remote wilderness areas west of Ceduna. The Seafood Trail would be a regional development and rejuvenation project, connecting with existing and new festivals (e.g. Oysterfest) and attractions.	The commercial fishing idea is about designing and investing in sustainable jobs for people, Indigenous and non-Indigenous. The investments would target the most effective employment for regional Far West Coast people in commercial fishing activities, including seafood processing and downstream activities.
PARTNERS	The venture would partner with the Recreational Fishing sector, existing regional and local tourism operators and cultural heritage bodies, and local governments.	The venture would partner with regional accommodation providers, tourist operators, seafood retailers, food retail and service providers, and local governments	The venture would partner with existing regional and local commercial fishers and aquaculturists, service and input suppliers, trainers and local and SA governments
ALIGNMENT	The ventures would be aligned with the FWCAC aims to: <ul style="list-style-type: none"> Enhance the recognition and respect of the Aboriginal cultures and heritage within the Far West Coast region, Provide the children of Native Title Holders with a future which supports their cultural, social and economic needs, Create and maximise business and economic opportunities to generate profits and, Aboriginal employment outcomes for the benefit of the Far West Coast Native Title Holding Community. 		

2. OTHER PARTNERS

Evidence collection continues regarding the Sea Claim. SA Native Title Services anthropologist Robert Graham is assisting with stories of the sea and coast to assist in providing a clear picture of the nature and extent of the use of the sea, and that connection of the Far West Coast People's through history to the present day.

C. THE PROPOSED FISHERY & TOURISM VENTURES

1. VISION AND STRATEGY

The intent, aims and partnerships for each of the proposed fishery / tourism ventures are outlined in the previous table. They are aligned with the overall aims Indigenous community aims adopted by the FWCAC.

2. COMPETITIVE ADVANTAGES

The Far West Coast region is remote and sparsely populated with few urban centres, a few large industries and limited natural resources.

However, the region is adjacent to a world class commercial and aquaculture fishery, a vibrant recreational fishery, and emerging tourist trail opportunities. One new tourist sector is whale watching in the inshore waters (Sanctuary and Breeding Zones and Habitat Protected Zones) of the Far West Coast Marine Park. In addition, the Indigenous community brings a long standing cultural heritage to the region based on traditional ownership of land and sea country, and more recently, secure determinations of Native Title.

The mining and seafood industries are large contributors to both the regional and Indigenous economies and employment. To date the Far West Coast Indigenous community (via FWCAC) has significantly invested in the mining sector for the long term. This investment is being extended by the FWCAC - Iluka Resources partners in the Western Gawler Craton project which commenced on-ground exploration drilling in mid 2015 (**Ferret, 2016**). Mining agreements are funding the commercial capacity for FWCI to make additional investments in line with community aims.

But the Indigenous community has yet to progress any significant investment in the other large local opportunities – the fishery, seafood and tourism sectors. These three proposed ventures will lay an investment platform to fulfilling that opportunity.

D. COMMERCIAL ARRANGEMENTS

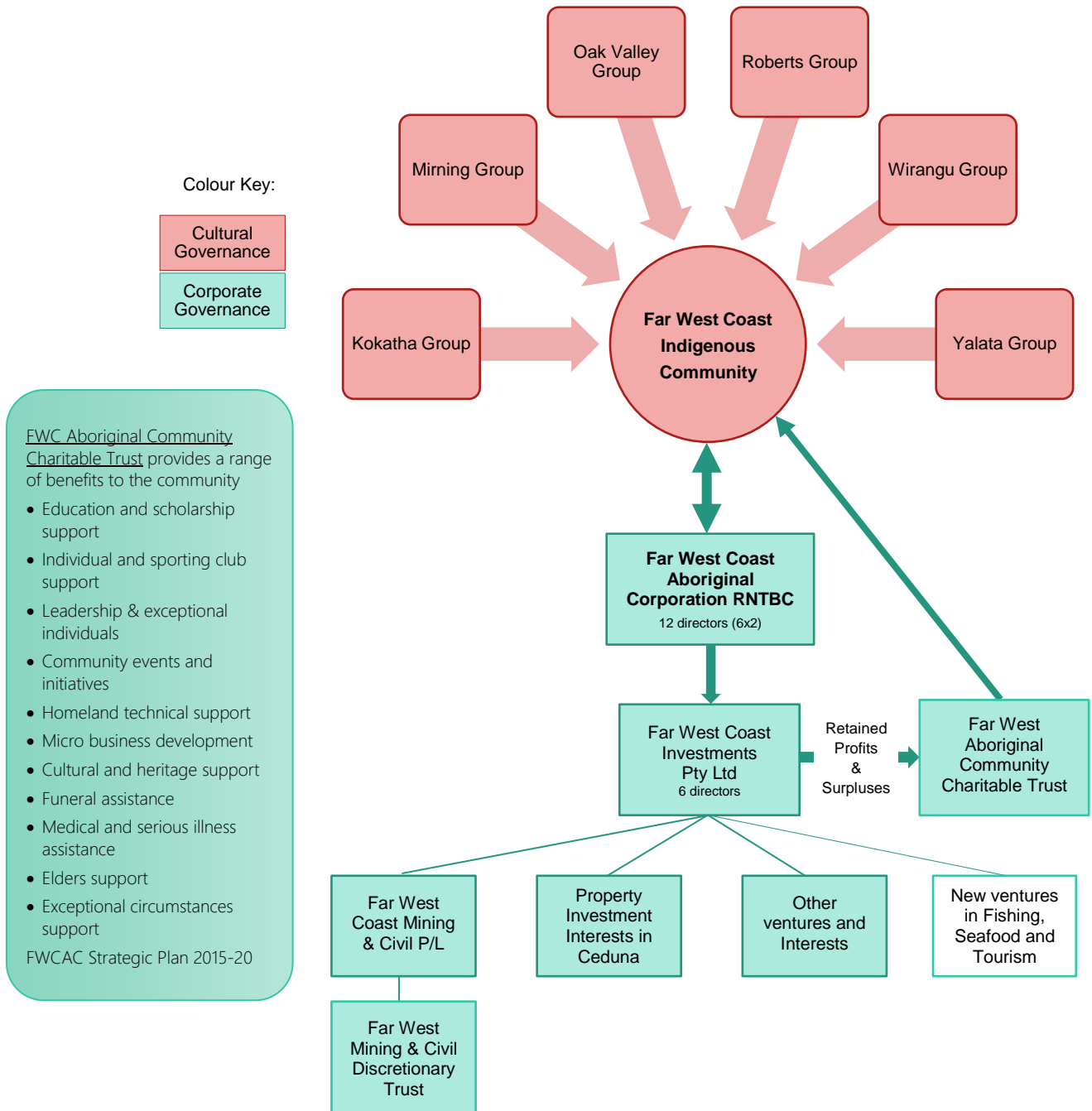
1. GOVERNANCE

The Far West Coast Indigenous Community has separated communal matters from commercial matters in order to promote a strong governance framework across all interests and entities. This community approach is a hybrid of the Family Governance Model identified in chapter 2, section D (Governance Models).



The framework continues to mature and now manages a number of commercial, community and co-management entities and activities. These activities are illustrated in the following governance model.

Figure 65. Far West Coast Case Governance Model



FAR WEST COAST ABORIGINAL CORPORATION

- Legally holds Native Title on behalf of its Members,
- Has twelve directors - 2 from each cultural group,
- Maintains its own rulebook for governance,
- Charter includes Native Title Advocacy, Culture and Heritage, Land Care and Environment Issues, Parks Management, Cultural Awareness, and Establish legal entities to achieve its objectives.

FAR WEST COAST INVESTMENTS PTY LTD

- Trustee for the Far West Coast Aboriginal Community Charitable Trust,
- Has six directors,
- Acts as the Far West Coast/Iluka Resources Liaison Committee,
- Charter includes: Business Investments, Investment Strategy, Charitable Trust Program, in two areas 1). Emergency and Social Funding, and 2). Strategic and Developmental Funding.

FAR WEST COAST ABORIGINAL COMMUNITY CHARITABLE TRUST

Trust objectives specifically seek to:

- Advance the cultural, social, political, economic and legal interests of the common-law holders, including by establishing legal entities to achieve these objects,
- Provide relief from poverty, sickness, suffering, misfortune, destitution or helplessness among Far West Coast Aboriginal people,
- Manage and account for the funds of the corporation and invest any funds not immediately required by the corporation,
- Act as the trustee under any trust established for the benefit of the Far West Coast Aboriginal people.

The Community Charitable Trust receives funds from two community companies - Far West Coast Investments Pty Ltd and its related and expanded commercial activities, as well as from Far West Mining and Civil Pty Ltd.

FAR WEST MINING AND CIVIL PTY LTD

- Operating entity that leases equipment to mining company Iluka Resources Ltd,
- Has three directors,
- Trustee for Far West Mining and Civil Discretionary Trust,
- Charter includes: Business Projects in Mining and Civil Operations, Individual Business Development, Employment and Training Outcomes.

2. VIABILITY

The three-proposed seafood and/or tourism ventures are at the initial conceptual stage of development. Their respective and collective commercial feasibility and viability is yet to be formally described and determined.

E. CASE STUDY ASSESSMENT AND INSIGHTS

The following table assesses the Far West Coast Community Case Study across the IRG's 11 Strategic Principles and 5 Aspirations.

The case study satisfies most of the criteria, with few gaps.

However, the proposed ventures are in concept-testing stages of their development and are not yet investment ready or operational - the assessment may vary marginally if or when the ventures commence.

Based on its strong governance, external sector cash flows and development track record, any or all of these ventures is a very likely development prospect.

CASE ASSESSMENT	Assessment Criteria				
<p>Far West Coast Community, Ceduna, SA (FWCAC - Far West Coast Aboriginal Corporation)</p>	<p>1. Process to determine an Indigenous catch and allocation model</p>	<p>2. What legislation, policy, management strategies impact on Indigenous cultural fishing practices 3. What fishing and non-fishing practices impact on Indigenous cultural fishing practices, including identifying key iconic species 4. Identify models to incorporate TFK into Aquatic Resource Management (ARM) processes</p>	<p>5. Address barriers to full and effective Indigenous involvement in decision making forums 6. Improve the involvement of Indigenous people in all levels of Aquatic Resource Management (ARM) 7. Identify cost benefit of effective Indigenous consultation & extension processes</p>	<p>8. New models to ascertain the value of Indigenous fishing/seafood 9. Management measures to boost Indigenous access to commercial resources 10. Commercial initiatives to boost Indigenous interests in sector 11. Explore new benefit sharing models re fisheries use & access (e.g. employees) 12. Opportunity for Indigenous branding of seafood and fisheries product</p>	<p>13. Build capacity of mainstream sectors to effectively engage with Indigenous fishing sector and communities 14. Improve capacity /opportunity for Indigenous people to engage in R&D, fisheries management, & commerce 15. Building understanding of fishing industry structures and processes 16. Research outputs and information are available in appropriate formats and language (extension and adoption)</p>
Principles	1. Primacy	2. Cultural Practice	3. Self Determination	4. Economic Development	5. Capacity Building
<p>1. Recognition of People 2. Fishery access and value 3. Governance, representation & management 4. Resourcing for involvement 5. Capacity – and empowerment 6. Agency capacity re TFK, expertise, and processes 7. Customary rights, TFK & TFM 8. Awareness of impacts on environment and traditional harvest 9. Fishery management to improve access, protection and bring TFK and TFM input to processes 10. Increased value - economic, social, cultural, trade, health, environmental 11. Benefit sharing</p>	<ul style="list-style-type: none"> Indigenous communities and fishers are directly involved in governance and decision making at all levels from commencement of the venture. Indigenous people are primary partners and beneficiaries in the social, cultural and commercial design and investment of the venture The FWCI entity will own relevant fishery, aquaculture, tourism licenses and therefore Indigenous primacy of aquaculture stocks, harvest allocation and all related venture assets are fully achieved from venture inception. 	<ul style="list-style-type: none"> The FWCAC / FWCI intends to pursue commercial ventures based on modern fishery and aquaculture techniques. SA legislation will impact the venture Cultural fishing practices offer longer term opportunity for potential tourist venture competitive advantage - TFK / TFM is available and can be used to enhance this competitive advantage. The proposed ventures will enable economic development in community hands and relevant TFK will be integrated. FWCI has a clean structure and mandate to secure commercial return and so reinvest in new fishery / tourism ventures using TFK and TFM. Option exists to further leverage these Indigenous assets via Indigenous brands in consumer markets. 	<ul style="list-style-type: none"> There are no apparent barriers to the full and effective Indigenous involvement in decision making. There will be need for ongoing training programs (governance, technical etc.) to enable the Indigenous capacity for the ventures: <ul style="list-style-type: none"> to overcome specific skill and knowledge gaps as they arise, and to engage and raise awareness of Aquatic Resource Management across the Indigenous fishery community. Specific venture evaluation studies (environmental, social, market, financial) of the respective inputs from the parties and related extension, are yet to be completed. 	<ul style="list-style-type: none"> The ventures have yet to establish a market for their outputs, a sales proposition to offer value to consumers, or a business model to leverage their assets and Indigenous heritage. The FWCI company has created a direct and professional approach to investing in economic development. The policy regarding contracting and sourcing third party goods and services (including preference for Indigenous engagement) is yet to be established. Strategy documents are yet to be developed for these ventures, but Indigenous people will dominate the relevant Boards and take up employment. Indigenous seafood market collateral and branding are yet to be considered by the ventures. 	<ul style="list-style-type: none"> These proposed ventures are to be based on joint commercial objectives that will build and employ the capacity (cultural, TFK, TFM, and service) of the Indigenous communities and participants. The ventures will engage Indigenous people at Director, employee and expert levels of management and commerce and in all structures and processes. Indigenous people will need to build their understanding of fishing and aquaculture industry structures and processes. The venture has no specific measures at present to engage Indigenous people in R&D, but that will occur as they are embedded in all levels of the venture.
Summary Conclusions					
<p>A. Fishery Model – enterprise, management and legislative</p>	<ul style="list-style-type: none"> Both the legislative and commercial models are well defined and aligned Indigenous catch and access are yet to be defined and subject to a sea country claim Indigenous investors are involved in design, setup and management. 	<ul style="list-style-type: none"> It is too early to determine whether there are any positive or adverse impacts from the ventures on TFK & TFM. The ventures will be in SA sea country and waters, but it is uncertain whether there any SA matters that are not yet aligned to TFK/TFM. 	<ul style="list-style-type: none"> Indigenous investors and communities will be aware of the enterprise and management matters, but will need to be aware of the SA fishery, aquaculture and tourism legislation and implications for their decision-making rights 	<ul style="list-style-type: none"> The ventures will propose business models that clearly target commercial objectives and comply with relevant legislation. 	<ul style="list-style-type: none"> The FWCAC / FWCI business model, if pursued in this case, will fundamentally and comprehensively bring together Indigenous and Non-Indigenous investors, fishers, and tourist operators for mutual commercial advantage.
<p>B. Gap analysis</p>	<ul style="list-style-type: none"> Feasibility of ventures is yet to be confirmed. - No identifiable gaps yet – but the venture is yet to begin operations 	<ul style="list-style-type: none"> There are no cultural practice gaps, as the TOs and Communities are engaged directly in all aspects of the proposed ventures. 	<ul style="list-style-type: none"> Potential gap in governance and technical knowledge and skills of Indigenous people – to be revealed as the project commissions 	<ul style="list-style-type: none"> Potential gap re management/commercial initiatives to boost local Indigenous engagement in and access to commercial resources within or outside the venture 	<ul style="list-style-type: none"> Potential gap re the release of R&D outputs in appropriate formats and language Potential gap re engagement of all demographics – eg young people
<p>C. Preferred development pathway defined</p>	<ul style="list-style-type: none"> Strategic and operational plans are yet to define the pathway for KPIs and ROI targets over first 5 years. 	<ul style="list-style-type: none"> A documented strategy is yet to be developed to show the pathway for use of TFK / TFM. 	<ul style="list-style-type: none"> Development pathway details specifically about self-determination, are unknown 	<ul style="list-style-type: none"> The ventures are yet to establish and documented a clear and professional economic development pathway 	<ul style="list-style-type: none"> Development pathway for building joint capacity for engagement, management, R&D, etc, is not yet developed.
<p>D. Case Study Extension Strategy</p>	<ul style="list-style-type: none"> Extension and engagement strategy to be assessed and potentially developed by FWCAC / FWCI and its various partners as the ventures are considered and developed. Indigenous engagement strategy is already being demonstrated in FWCI's other investment activities. Due to the evolving nature of the ventures, it is uncertain yet as to whether any specific measures or commercial initiatives will be created to boost Indigenous access to commercial resources within or outside the venture 				

10. CASE STUDY 7. AARLI MAYI COMMUNITY, WA

A. BACKGROUND

1. THE CASE

Aarli Mayi Aquaculture Project is developing a marine farming venture in remote waters of the West Kimberley, WA. “Aarli Mayi” is the Bardi language phrase for food from the sea.

Figure 66. Cone Bay Aquaculture Site



Image source: ABC Rural

For thousands of years the Dambimangari, Bardi, Jawi and Mayala tribespeople have navigated Australia's biggest tides, fishing, hunting, and practicing rich and diverse cultural and religious traditions in the salt waters of King Sound and the Buccaneer Archipelago. Today these people conduct a range of activities to manage their land and sea country, train and employ their people, and sustain their communities and country. Most of these activities are housed in commercial “for profit” enterprises and joint ventures.

Since European settlement commercial fishing has developed in these pristine waters to service export markets for seafood and marine pearls. Since 1987 the local Hutton Family has been a leader in the development of wild fishery and aquaculture seafood projects in the Kimberley.

In August 2014, the WA government established the Kimberley Aquaculture Development Zone (KADZ), a marine aquaculture zone in the waters of Cone Bay at the northern end of King Sound, about 215 kilometres north-east of Broome. Cone Bay is a proven location for the culture of Barramundi, due primarily to the tidal influence of substantial water flow through sea-cages in which the fish are grown. Such flows allow for a high level of productivity with a low environmental impact.

With the leadership and investment of the Hutton family, Maxima Fish Farms Pty Ltd acquired an aquaculture licence in 1999 to farm Barramundi on a site in Cone Bay. The license was subsequently transferred to a company that is now known as Marine Produce Australia (MPA) and the harvest from this venture reached 1,200 tonnes in 2011. The 2016 harvest was 680 tonnes.

In 2014-15 the Dambimangari, Bardi Jawi and Malaya People, together with the Maxima Opportunity Group (owned by the Hutton Family), agreed to form an aquaculture joint venture (the Aarli Mayi Aquaculture Project Joint Venture). Their joint vision is to build on their collective saltwater skills and knowledge to establish a large-scale aquaculture enterprise to produce and trade high quality seafood to world markets.

Figure 67. Map of Aarli Mayi Clan Country

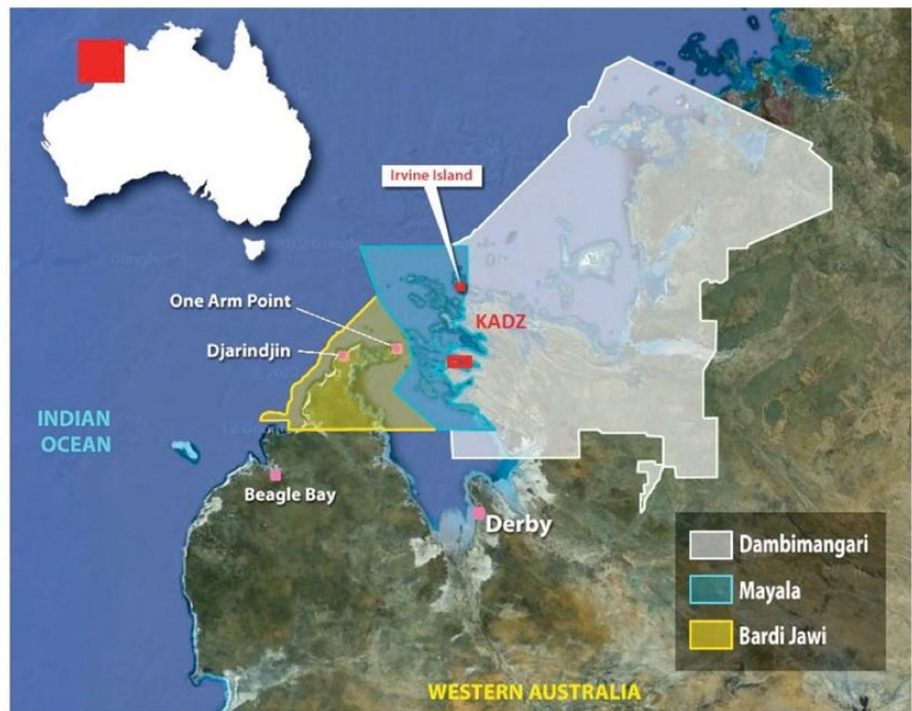


Image source: Aarli Mayi Aquaculture Project JV

In December 2015 Aarli Mayi Aquaculture Pty Ltd applied for a license to culture finfish species: Barramundi, Cobia, Barramundi cod, Saddletail snapper, Coral trout, Flowery rock cod, Camouflage grouper, and Giant grouper. In October 2016, the WA Government issued a new aquaculture licence and lease (adjacent the existing MPA license) for the required species in an area of 369 ha within the KADZ. The licence authorises production up to 5,000 tonnes (whole weight) per year.

2. REGIONAL CONTEXT

Over the last 4 years the proponents of the Aarli Mayi Aquaculture Project have worked with a number of national, state and regional organisations and agencies to progress the venture:

- Australian Government Indigenous Economic Development Strategy 2011-18,

- Australian Government Fishing and Aquaculture Policy,
- Australian Government Fisheries Research and Development Corporation,
- WA Aboriginal Advisory Council,
- WA Government Fishing and Aquaculture Policy,
- Kimberley Development Commission,
- Kimberley Training Institute and the Broome Aquaculture Centre.

This venture team has also variously liaised with Kimberley Aquaculture Aboriginal Corporation (KAAC), an organisation currently evolving to support and facilitate broader Traditional Owner involvement and representation in regional fisheries consultation and training.

Kimberley Training Institute's Broome Aquaculture Centre (BAC) was built in 2000 and provides state of the art hands on training and research in its dedicated tropical aquaculture facility. The BAC has a suite of dedicated infrastructure to support training, research, production and development to meet the industry's needs.

BAC specialises in the production of marine finfish such as barramundi and ornamental fish but has also worked with and produced many species including tiger prawns, mud crab, cherabin, tropical abalone, and trochus, just to name a few.

<http://www.dambimangari.com.au/>

The Kimberley Region is geographically large and remote, with a population of only 38,000 residents; 44% are Indigenous. The aquaculture sector in the Kimberley is reaching critical mass with existing aquaculture licenses in the KADZ approved to produce up to 20,000 tpa. The Kimberley Development Commission in its "Strategy 2036 and Beyond" expects this to increase to 25,000 tonnes per annum in the coming decade.

3. COMMUNITY CAPACITY

Aggregated Census 2011 data for the Indigenous Regions of Broome, Broome Surrounds, Derby-Mowanjum, and Outer Derby-West Kimberley includes the Kimberley Saltwater People that are the Indigenous shareholders in Aarli Mayi Aquaculture Project Pty Ltd. This brief analysis focusses on the direct economic potential and employment capacity of the community rather than social or welfare or health issues.

The following analyses is based on aggregated data from three Indigenous Areas (IAREs) in the 2011 Australian Census:

- IARE501002 Broome Surrounds,
- IARE508001 Derby-Mowanjum,
- IARE508004 Outer Derby-West Kimberley.

INDIGENOUS PEOPLE OF WORKING AGE

Based on the 2011 Census, for the Aarli Mayi Venture Indigenous community:

- There is a total of 3,415 Indigenous people – 52% are female,
- 60% of Indigenous males and females are working age (15-64 years), the same percentage of all Indigenous people in Australia, and the spread of people across the working age groups are similar to national averages,
- 20% of working age males and 16% of working age females hold a qualification, slightly below the 25% average for all Indigenous Australians.
- Available 2016 Census data indicate the Aarli Mayi community population trends since 2011 Census. Aarli Mayi community Indigenous population has declined from 3,415 to 4,270, with growth for males (29.1%) slightly greater than for females (21.2%). In the working age groups, strongest growth in the males was in the 25-44 years cohort at 49%, and in females for 45-64 years also at 49%. All other working age cohorts increased by 20-30%. Overall the number of working age people across all ages has increased strongly by 34%, from 2,044 to 2,730 people.

Aarli Mayi 2011	Males	Females	Total	%	Indigenous Australia	%
Total People	1,652	1,763	3,415		548,367	
<u>Working Age Groups</u>						
15-24 yrs	306	297	603	30%	105,644	32%
25-44 yrs	426	498	924	45%	139,474	42%
45-64 yrs	258	259	517	25%	85,378	26%
Total working age	990	1,054	2,044	100%	330,496	100%
<u>% of People in Community</u>						
15-24 yrs	19%	17%	18%		19%	
25-44 yrs	26%	28%	27%		25%	
45-64 yrs	16%	15%	15%		16%	
Total working age	60%	60%	60%		60%	
% with qualification	20%	16%	18%		25%	

QUALIFICATIONS OF INDIGENOUS PEOPLE

- Qualified males (6% with degrees) tend to be in older age groups (35-54 years) than the national Indigenous average,
- Qualified females (15% with degrees) tend to be in the 25-44 years' age groups where they exceed the National Indigenous average.

Aarli Mayi 2011	Post Graduate	Bachelor	Diploma	Certificate	Total	%	Indigenous Australia	%
<u>Males</u>								
15-19	0	0	0	9	9	5%	1,956	5%
20-24	0	3	0	19	22	11%	5,006	13%
25-34	0	3	3	34	40	20%	10,010	26%
35-44	0	3	6	51	60	31%	9,910	26%
45-54	0	3	4	44	51	26%	7,679	20%
55-64	0	0	0	14	14	7%	4,025	10%
Total	0	12	13	171	196	100%	38,586	100%
	0%	6%	7%	87%	100%			
<u>Females</u>								
15-19	0	0	0	4	4	2%	2,145	5%
20-24	0	0	0	20	20	12%	5,809	13%
25-34	0	9	8	41	58	35%	12,068	28%
35-44	4	7	0	36	47	28%	11,371	26%
45-54	4	0	8	21	33	20%	8,327	19%
55-64	0	0	3	0	3	2%	3,719	9%
Total	8	16	19	122	165	100%	43,439	100%
	5%	10%	12%	74%	100%			

EMPLOYMENT

- 37% of the Indigenous people are employed (43% male and 32% female), compared to the national Indigenous average of 40%,
- 77% of those directly employed are in private employment, compared to a national Indigenous average of 75%,

- In addition to direct employment, CDEP participation in the region is very strong at 11% (224 people) of the working age population, compared to a national average of 1.5% of working age people.

Aarli Mayi 2011	Males	Females	Total	%	Indigenous Australia	%
People employed	449	375	824	100%	147,717	100%
Gov't employees	63	72	135	16%	33,310	23%
Private employees	357	278	635	77%	110,513	75%
Other	29	25	54	7%	3,894	3%
Unemployed	77	52	129		30,460	
Outside the labour force	484	665	1,149		155,889	
CDEP	143	81	224	11%	4,838	1.5%
% employed in population	43%	32%	37%		40%	

Mayala People aspire to:

- Relieve poverty, sickness, suffering, misfortune, disability, destitution, helplessness and disadvantage among their people
- Maintain, protect, promote and support their traditions, laws, languages, culture, and customs, in balance with development, interests and social progress
- Enjoy environmental, social, economic and cultural benefits supported through education, training and employment
- Develop their skills, capabilities, knowledge and commercial outcomes for benevolent purposes, for employment, for future economic benefit, and for their health and well-being;
- Equitable and beneficial allocating and use of funds for activities, promotion and community advancement
- Hold title to any vested land
- Operate the "Mayala Aboriginal Corporation Gift Fund" beneficially for their people.

ORIC website and Mayala advice

B. FISHERY PARTNERS

Four distinct traditional owner groups have come together to design, invest in and manage this new farmed-fishery venture.

1. DAMBIMANGARI ABORIGINAL CORPORATION

- The Dambimangari Aboriginal Corporation was registered in September 2006 in Derby WA. With ~200 members residing mostly in Derby, Mowanjum, Broome, Kununurra, and Fitzroy Crossing, the corporation represents more than 1000 people residing on or near Dambimangari country.
- Native Title was determined in May 2011, and covers three areas of land and near-shore sea country between the Robinson and Prince Regent Rivers, to the north and east of Derby,
- The primary purpose of the corporation is to manage the community's land, health, education and social support programs and pursue employment and training opportunities,
- The corporation operates other commercial enterprises including a tour company, seafood projects, ranger services, mineral resources and petroleum development, and services for marine and national parks,
- The Corporation is endorsed as a deductible gift recipient fund. In June 2015, the corporation had 12 directors, net assets of \$2.2 million, and achieved a profit of \$0.6 million from a gross income of \$5.3 million (excluding any grants).

Bardi Jawi People aspire to:

- Access the most current western and traditional knowledge to help them manage saltwater resources and habitats
- Establish baseline data on fish stocks through research partnerships and monitoring programs
- Enable turtle and dugong sustainably according to traditional protocols and western knowledge
- Protect and maintain significant sites so that Traditional Owners can use and enjoy them without significant damage or disturbance
- Achieve a majority of young people living on country to be fluent in and regularly speak their language and attend cultural ceremonies
- Increase the area of monsoon vine thickets, and reduce the country affected by late dry season bushfires.

Bardi Jawi Management Plan
2013-23

Dambimangari People aspire to:

- Develop their enterprises to participate in the economic development of the Kimberley
- Create effective training and employment opportunities for Dambimangari people
- Involve the community in scientific research and conservation of the unique Kimberley environment
- Expand the burgeoning tourism industry, including ocean cruise visits
- Promote their art and culture
- Support the social wellbeing of the communities

<http://www.dambimangari.com.au/>

2. BARDI JAWI NIMIIDIMAN ABORIGINAL CORPORATION RNTBC

- The Bardi and Jawi Nimiidiman Aboriginal Corporation RNTBC was incorporated in November 2007 and registered in Broome WA. With ~350 members residing mostly in Broome, Cable Beach, and Derby, the corporation represents Bardi and Jawi people across communities and outstations spread along the Dampier Peninsula north of Broome. Ardyaloon (One Arm Point) is the main urban centre.
- Native Title was first determined in 2005 and extended in May 2010 to 3,050 sq. km, covering coastal mainland, islands, and sea country down to 2 m below the low water mark,
- The primary purpose of the corporation is to manage the community's land and sea country,
- Outside the corporation, the community owns and operates a range of commercial businesses, including Kooljaman Resort at Cape Leveque, ranger services, services for marine and national parks, and the Ardyaloon Trochus Hatchery & Aquaculture Centre. At its inception in 1992 the hatchery grew Trochus shells with local Indigenous people employed to restock and culture the shell on local reefs for export to the high fashion button industry. Today the hatchery offers polished "mother-of-pearl" shell jewellery, trains local students, breeds Barramundi, squid, tropical abalone, Archer fish and Butter moll, and serves as a tourist destination.
- In June 2015, the corporation had 11 directors and minimal net assets or income as all commercial activities in the community were held in other entities.

3. MALAYA ABORIGINAL CORPORATION

- The Malaya Aboriginal Corporation was registered in April 2015 in Ardyaloon (One Arm Point) on the Dampier Peninsula, WA. The ~13 members of this small corporation reside mostly in Broome.
- The Malaya claim was registered with the National Native Title Tribunal on July 1, 1998. Malaya people are island people in the sea area north of Derby around the Buccaneer Archipelago. The Malaya Native Title claim is located between and adjoining the Dambimangari, and Bardi and Jawi country.
- The primary purpose of the corporation is to manage aboriginal land,
- The corporation does not operate any significant commercial enterprises. In June 2015, the corporation had 7 directors and minimal net assets or income.

4. MAXIMA OPPORTUNITY PTY LTD

Maxima Opportunity Pty Ltd is a private fishing entity owned by the Hutton family. The family has been operating in North Western Australia and the Kimberley Region for over 60 years, with significant investments in the fishing and seafood sector. They have delivered many large projects across the Kimberley, including:

- Developed first barramundi farming project in the Kimberley (now Marine Produce Australia),
- Maxima Pearling Company,
- Tourism projects (Eco Beach Resort),
- Mining and resource sector projects.

C. THE PROPOSED FISHERY VENTURE

1. LOCATION

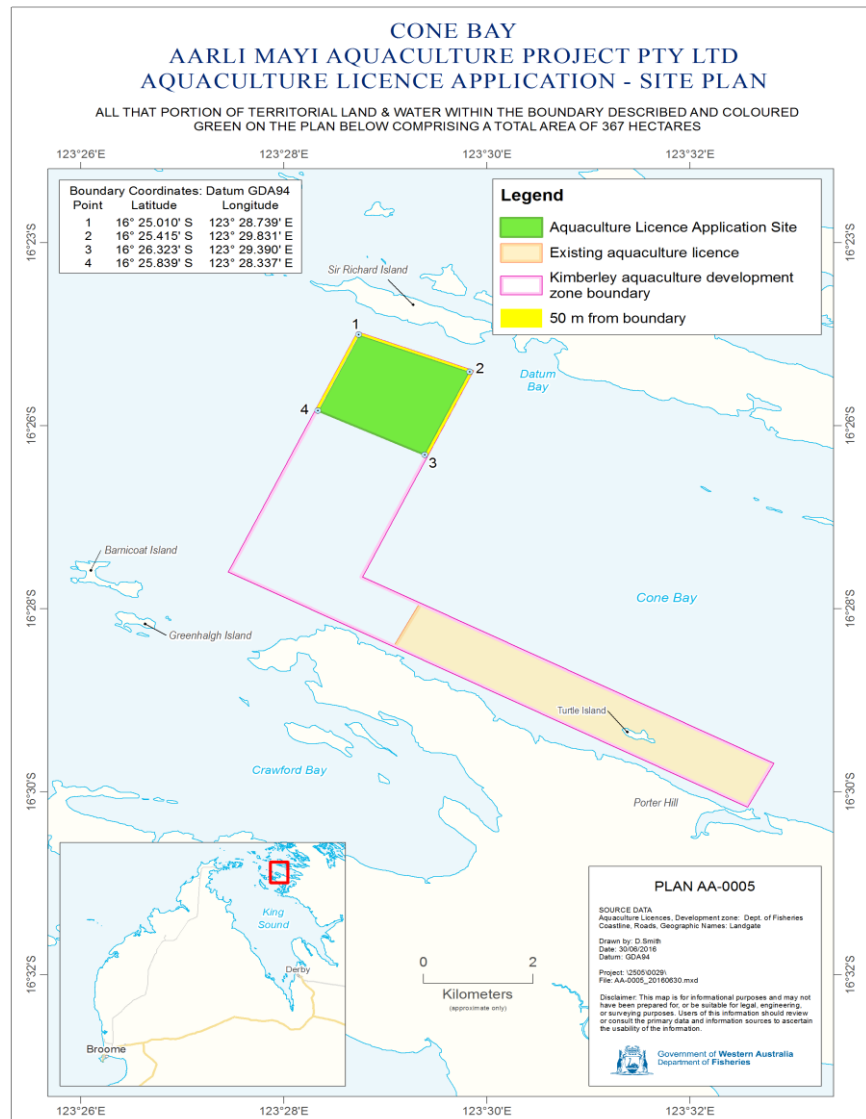
The following map confirms the location of the aquaculture venture lease area and its location within the Kimberley Aquaculture Development Zone.

Figure 68. Map of Aarli Mayi Aquaculture Lease in King Sound

"Aarli Mayi isn't just about job opportunities... it's about ownership of not just country, but the asset itself... it's about our children being able to identify an education pathway that they can see and touch. That they understand... That they really want to be involved with.

It's about more than just saltwater farming. The infrastructure and expertise required to support this project will create jobs, education and economic prosperity for traditional owners like nothing before it ever has."

Irene Davey, Bardi Jawi Elder



There are several communities in the Kimberley that have access to prime aquaculture resources, particularly highly suitable land, good quality water and pristine location. They have excellent potential for growing a range of species including Barramundi, freshwater prawns (Cherabin), edible oysters, aquarium fish, and particularly marine prawns.

What they are lacking is capital and start-up finance to develop aquaculture enterprises. Communities are seeking a range of investments, from joint venture partnerships to start-up grants.

2. VISION AND STRATEGY

The Aarli Mayi Aquaculture Project proponents have established the following strategic platform for their venture:

VISION

The Aarli Mayi Project will enable the vision of the Kimberley Saltwater Country people – the Dambimangari, Mayala, and Bardi Jawi Traditional custodians of the land and saltwater on whose country the Kimberley Aquaculture Development Zone (KADZ) and service industries will be situated.

Kimberley Saltwater people want aquaculture; they wish to endorse the concept and commit to the Project's success.

The Aarli Mayi proponents believe their joint aquaculture venture will provide the foundation for an independent commercial future, healthy communities and responsibility for healthy saltwater country.

MISSION

An aquaculture industry on Saltwater Country is culturally significant – it follows a direct and evolutionary path from the traditional fish traps into a modern industry servicing global market demand for seafood.

Three proud and strong cultures will define a new level of cooperation for economic and social advancement. The education in and responsible application of modern science, technology and marketing to a culturally and traditionally based industry will ensure healthy country, healthy people and healthy feeling.

STRATEGY

The Aarli Mayi Joint Venture will invest in a new seafood growout and supply capability, while developing broader relationships across the complete "design-build-operate" spectrum of the venture. Uniquely, this will include fingerlings spawned from the Broome Aquaculture Centre; to a nursery facility potentially located at the One Arm Point Hatchery; to local construction of service roads, infrastructure tanks and farm equipment by Indigenous partners; to post farm-gate processing, cool, chain distribution, and market development based on branded Aarli Mayi seafood in overseas markets. Local sourcing of labour and baseline inputs will create large savings in such a remote development site.

3. COMPETITIVE ADVANTAGES

The Aarli Mayi Aquaculture Project case study highlights a number of competitive strengths:

- An unprecedented cooperation of the Traditional Owners that are recognized traditional custodians of the local lands and waters,
- Partnership with traditional owners will assist in gaining approval for pre and post farm gate infrastructure development,
- Preapproved aquaculture zone offers attractive sites with deep high-quality water and disease-free status, with strong environmental regulations, and remote from urban development,
- Traditional Owner involvement will assist in meeting human resource needs,

- Finfish production and husbandry techniques are well established in Cone Bay,
- The venture team has extensive experience in developing and managing marine based projects in remote locations; including joint management arrangements for marine parks and research with WA Marine Science Institute,
- The scale of the project will deliver the economies of scale required to achieve efficient and profitable production in the Kimberley,
- The project aligns with federal and state government policies of developing Australia's north

Working with community, industry partners and regional state and federal agencies over the near to mid-term, the Joint Venture intends to build its initial approved farm volume from 5,000 tpa to a sustainable and viable 20,000 tpa.

D. COMMERCIAL ARRANGEMENTS

The Aarli Mayi Aquaculture Project was incorporated in early 2016. The company Aarli Mayi Aquaculture Project Pty Ltd (ACN: 610 855 297) has four equal shareholders and is the holder and operator of the WA aquaculture licence and lease.

Each shareholder holds 25% of the company (i.e. an obligation to fund 25% of the capital and operating budgets, in return for a 25% share of net profits before tax).

1. GOVERNANCE

Each shareholder in the company (Aarli Mayi Aquaculture Project Pty Ltd), appoints two directors to the board of this for-profit entity.

In addition to the company constitution a formal shareholders' agreement is being developed. The governance documents confirm their individual and collective legal and moral rights to:

- Contribute the time and expertise of selected directors, Traditional Owners, and community representatives,
- Contribute funds to support the venture under agreed terms,
- Contribute specific cultural expertise and knowledge relevant to the management of land and sea country,
- Jointly appoint, monitor and support the executive management team and related experts employed in the venture,
- Undertake ongoing community consultation, and represent the interests of the respective Indigenous community to the venture, to regulators, and third parties,
- Receive an equitable share of any financial returns and other benefits generated by the venture.

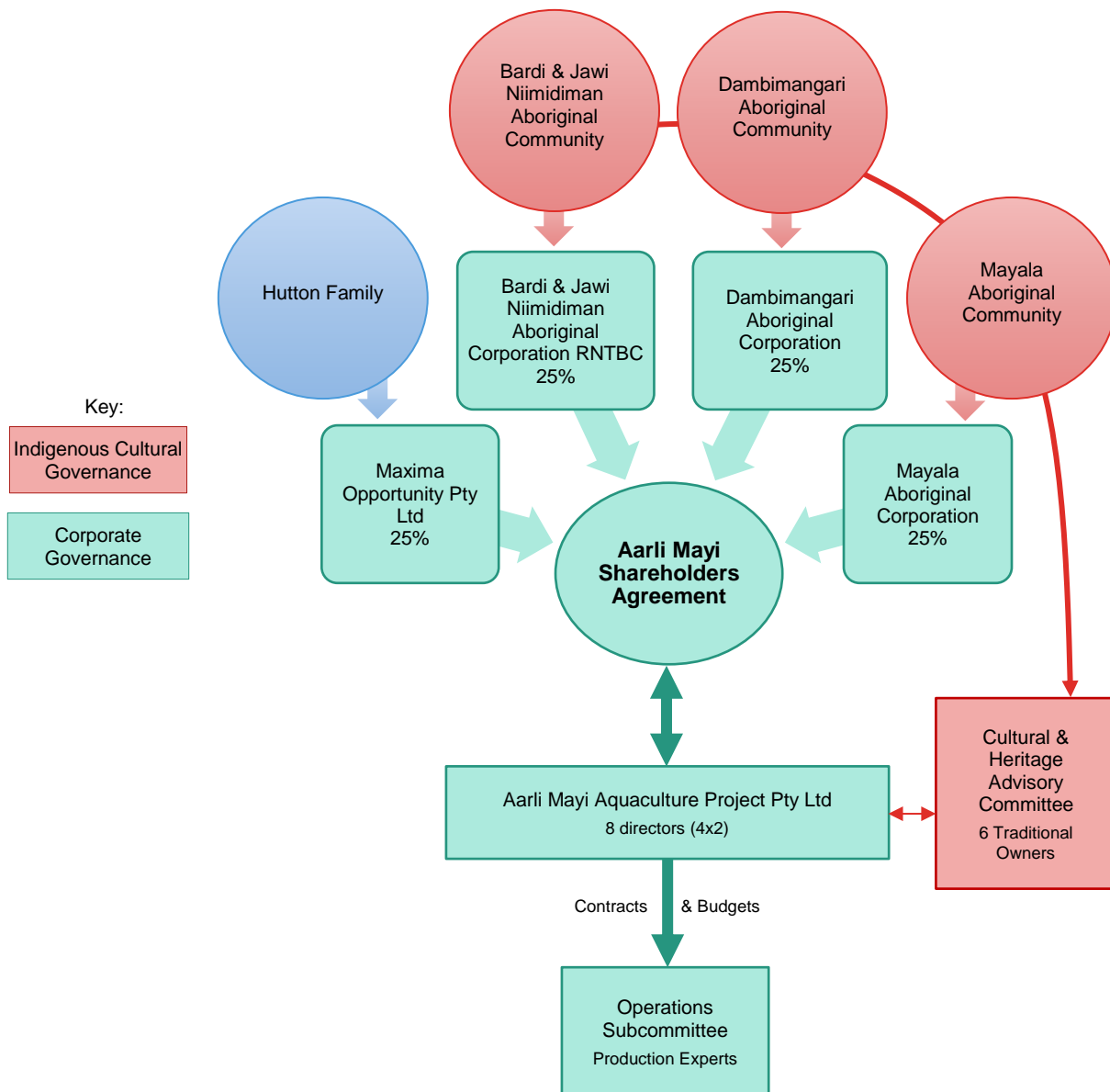
The proposed governance structure is presented in the diagram below. This community approach is a hybrid of the Family Governance Model identified in chapter 2, section D (Governance Models).

The structure makes a clear distinction between cultural governance required by the 4 Indigenous shareholders (in green), and the corporate governance structure

(in red) required under corporations' law for all entities, intended for profit or otherwise.

The Board Chair will be elected by the Members. The Board will appoint a small executive management team to implement board decisions, run the business, and report to the board, the fishery communities, regulators and other stakeholders.

Figure 69. Aarli Mayi Case Governance Model



The Aarli Mayi Aquaculture Project will create many business opportunities to supply goods and services to the marine farming activity. Where it is beneficial to engage external providers the Aarli Mayi Enterprise Policy will ensure that Traditional Owner groups and businesses are the preferred suppliers and that these opportunities are distributed evenly across the region.

Aarli Mayi Aquaculture Project Pty Ltd will hold the aquaculture licence and lease and will appoint an expertise-based production sub-committee to undertake the farming operations and activity.

A Cultural and Heritage Advisory Committee will be established as a subcommittee of the Aarli Mayi Board of Directors, the subcommittee consisting of only the three Traditional Owner groups, will set policy and provide advice on the operations in order to:

- Ensure the recognition of Traditional Owner groups as the custodians of the land and sea to which the license relates,
- Provide jobs and career paths on-country,
- Provide guidance, advice and recommendations regarding culture and community, and ensure respect to Traditional Owners.

2. VIABILITY

The venturers have established a professional Business Plan, detailing the agreed business objectives, the preferred development pathway and the implementation plan through to consumers.

The proponents clearly bring to the Joint Venture considerable board, management and seafood experience, and industry and community capacity in relevant commercial areas to underpin their aspirations.

The next steps in establishing the viability of the project will be to undertake a Full Feasibility Study. The company is currently working with advisors, Price Waterhouse Coopers to establish the scope of works and funding for the study.



The feasibility study will establish capital costs, operating costs and overall viability, and identify any fatal flaws in the business plan across the whole value chain.

The project is scheduled to have first fish in the water in late 2018 with the first harvest in 2020.

E. CASE STUDY ASSESSMENT AND INSIGHTS

The following table assesses the Aarli Mayi Community Case Study against the IRG's 11 Principles and 5 Aspirations.

The case study satisfies a large majority of the IRG's framework criteria, with few gaps.

The governance approach developed for the project is visionary and ground-breaking for Indigenous fishery ventures. The high level of trust established between the three clans and the non-Indigenous investor enables the microbusiness concept of engaged action learning and collaboration to formalised at the main board table under a Shareholders Agreement. All parties are active decision makers at all board and operational levels.

This venture does not yet highlight any microbusinesses being active in the project but, management confirm that if an Indigenous microbusiness is a competitive tenderer for the supply of services to the project, it will be given a favourable rating by the project.

It is noted that the venture is not yet operational, and the assessment may vary marginally once production has commenced.

CASE ASSESSMENT	Assessment Criteria				
Aarli Mayi Community, Kimberley, WA (Aarli Mayi Aquaculture Project P/L)	1. Process to determine an Indigenous catch and allocation model	2. What legislation, policy, management strategies impact on Indigenous cultural fishing practices 3. What fishing and non-fishing practices impact on Indigenous cultural fishing practices, including identifying key iconic species 4. Identify models to incorporate TFK into Aquatic Resource Management (ARM) processes	5. Address barriers to full and effective Indigenous involvement in decision making forums 6. Improve the involvement of Indigenous people in all levels of Aquatic Resource Management (ARM) 7. Identify cost benefit of effective Indigenous consultation & extension	8. New models to ascertain the value of Indigenous fishing/seafood 9. Management measures to boost Indigenous access to commercial resources 10. Commercial initiatives to boost Indigenous interests in sector 11. Explore new benefit sharing models re fisheries use & access (e.g. employees) 12. Opportunity for Indigenous branding of seafood and fisheries product	13. Build capacity of mainstream sectors to effectively engage with Indigenous fishing sector and communities 14. Improve capacity of /opportunity for Indigenous people to engage in R&D, fisheries management, & commerce 15. Building understanding of fishing industry structures and processes 16. Research outputs and information are available in appropriate formats and language (extension and adoption)
Principles	1. Primacy	2. Cultural Practice	3. Self Determination	4. Economic Development	5. Capacity Building
1. Recognition of People 2. Fishery access and value 3. Governance, representation & management 4. Resourcing for involvement 5. Capacity – and empowerment 6. Agency capacity re TFK, expertise, and processes 7. Customary rights, TFK & TFM 8. Awareness of impacts on environment and traditional harvest 9. Fishery management to improve access, protection and bring TFK and TFM input to processes 10. Increased value - economic, social, cultural, trade, health, environmental 11. Benefit sharing	<ul style="list-style-type: none"> Indigenous communities and fishers are directly involved in governance and decision making at all levels from commencement of the venture. Indigenous fishers are primary partners and beneficiaries in the social, cultural and commercial design and investment of the venture The Joint Venture entity owns the aquaculture license and therefore Indigenous primacy of aquaculture stocks; harvest allocation and all related JV assets are fully achieved from venture inception. 	<ul style="list-style-type: none"> This is a commercial venture based on modern best practice aquaculture techniques. Commonwealth and WA legislation will impact the venture Cultural fishing practices offer longer term opportunity for competitive advantage - Tidal management and species are 2 areas where TFK / TFM can be used to competitive advantage. The venture will enable economic development in community hands and relevant TFK will be integrated. A secure commercial return will enable reinvestment in new farming techniques using TFK and TFM which can be then be leveraged via Indigenous brands in consumer markets. 	<ul style="list-style-type: none"> There are no apparent barriers to the full and effective Indigenous involvement in decision making. But there will be need for ongoing training programs (governance, technical etc.) for 2 reasons: <ul style="list-style-type: none"> to overcome specific skill and knowledge gaps as they arise, and to engage and raise awareness of ARM across Indigenous fishery community. Without this they will not be able to readily respond to issues raised by TOs. The individual venture parties may have undertaken a specific evaluation/cost benefit analysis of the respective inputs from the JV parties, but this is confidential and unavailable. 	<ul style="list-style-type: none"> The venture's market value model and sales proposition will certainly target and leverage the Indigenous fishery/seafood attributes of seafood produced and offered The company has created a draft policy that sets out the company strategy for contracting and sourcing third party goods and services. The policy provides preference for TO owner businesses. The Strategy documents confirm that Indigenous people will dominate the JV Board and be given preferential employment in the venture and will. Indigenous seafood market collateral and branding are proposed by the venture where appropriate to market preferences. 	<ul style="list-style-type: none"> This case study venture is fundamentally based on joint commercial objectives that will build and employ the capacity (cultural, TFK, TFM, and service) of the Indigenous communities and participants. The venture will engage Indigenous people at Director, employee and expert levels of management and commerce and in all structures and processes. The venture has no specific measures at present to engage Indigenous people in R&D, but that will occur as they are embedded in all levels of the venture.
Summary Conclusions					
A. Fishery Model – enterprise, management and legislative	<ul style="list-style-type: none"> Both legislative and commercial models well defined and aligned Indigenous catch/access defined Indigenous fishers are involved in design, setup and management. 	<ul style="list-style-type: none"> It is uncertain if there are any positive or adverse impacts from the venture on TFK & TFM. The venture is in WA waters – but uncertain if all WA matters are aligned to TFK/TFM. 	<ul style="list-style-type: none"> Indigenous communities will be aware of enterprise and management matters, but will need to be aware of the WA aquaculture legislation and implications for their decision-making rights 	<ul style="list-style-type: none"> The venture has proposed a model that is clearly targeted at commercial objectives 	<ul style="list-style-type: none"> The business model developed has fundamentally and comprehensively brought together two fishing sectors – commercial aquaculture and Indigenous customary fishing
B. Gap analysis	<ul style="list-style-type: none"> No identifiable gaps yet – but the venture is yet to begin operations 	<ul style="list-style-type: none"> There are no cultural practice gaps, as the TOs and Communities are engaged in all aspects of the project 	<ul style="list-style-type: none"> Potential gap in governance and technical knowledge and skills of Indigenous people – to be revealed as the project commissions 	<ul style="list-style-type: none"> Potential gap re management measures or commercial initiatives to boost Indigenous access to commercial resources within or outside the venture 	<ul style="list-style-type: none"> Potential gap re the release of R&D outputs in appropriate formats and language
C. Preferred development pathway defined	<ul style="list-style-type: none"> Documented strategic plans define the pathway – KPIs and ROI targets over first 5 years are confidential. 	<ul style="list-style-type: none"> The documented strategy enables the pathway for use of TFK / TFM, but this is proprietary and not available 	<ul style="list-style-type: none"> Development pathway details specifically about self-determination, are unknown 	<ul style="list-style-type: none"> The venture has established and documented a clear and professional economic development pathway 	<ul style="list-style-type: none"> The development pathway for building joint capacity for engagement, management, R&D, etc. is not yet developed – refer extension strategy.
D. Case Study Extension Strategy	<ul style="list-style-type: none"> To be developed by JV partners Clear Vision & Mission are available and give preference to and embed Indigenous engagement Due to the evolving nature of the venture, it is uncertain yet as to whether any specific measures or commercial initiatives will be created to boost Indigenous access to commercial resources within or outside the venture 				

11. CONCLUSIONS AND RECOMMENDATIONS

A. CONCLUSIONS

This project has worked with the IRG to identify and analyse seven Indigenous fishery community case studies.

The analyses, summarised in Figures 70 and 71 below, have considered a representative national sample of seven Indigenous fishery communities across six jurisdictions. The range of proposed and on-foot community ventures, species and development capacities is very broad, including wild catch fisheries, aquaculture and ranching, as well as recreational and fishery tourism. This case study scope has improved the project team's understanding of the issues and options regarding preferred approaches to Indigenous community fishery options.

In all cases, the proposed developed of a fishery venture will enhance the returns to the respective community from its fishery assets, and more importantly, contribute to skills and community capacity. During the 3-year term of the project at least two ventures have progressed from the conceptual drawing board to commercial harvest.

1. UNDERUTILISED FISHERIES IN THE INDIGENOUS ESTATE

The literature review for this project has revealed the substantial geographic scale of the Indigenous Estate that includes marine and inland aquatic resources suitable for fisheries.

Generally, across all Indigenous coastal communities, jurisdictional surveys show that most communities maintain customary fisheries (FRDC, 2003), but pursue limited economic development of these resources. There is limited commercial activity (fishing, ranching, farming, seafood value adding, recreation, tourism) related to these fishery resources. Most Indigenous communities underutilise their fishery assets.

There are many reasons to explain this apparent underutilisation of fishery resources, including lack of awareness of resource sustainability, lack of awareness of the value of the resource to the community, small community scale, geographic and logistic remoteness of the resource, lack of relevant utilities and infrastructure, lack of proximity to seafood and tourism markets, lack of community leadership and motivation to engage in fishery development, etc.

In specific fisheries there is strong evidence suggesting that current policy settings have resulted in enhanced primacy rights for Indigenous communities, but at the cost of significant decline in harvest and fishery value to those communities. For example, in the Torres Strait, finfish catches from 2003-2007 averaged around \$3.37 million per year (Bodsworth, 2016 p. 5). Since a government funded buyback in 2008 of these licences enabling 100% ownership by Torres Strait Traditional Inhabitants, the value of the finfish catch has declined 67% to \$1.1 million per year. The advantage of Primacy of Rights and recognition of TFK and TFM are very good outcomes for all Torres Strait communities, as they provide the critical foundation for communities to economically develop their resources. But the loss of an estimated \$2.2 million in cash flow each year to Torres Strait

finfish communities can only be justified in the short term as a transitional loss due to fishery adjustment. At a time of rising global demand for premium sustainable branded seafood, and stagnant levels of fishery economic development in Indigenous communities, this value loss is not an acceptable long-term outcome for Indigenous communities or for all Australians.

2. COMMUNITIES

The seven communities involve 40 distinct family / clan cultural groups, (average of 5.7 cultural groups per venture), and engage a total of approximately 14,000 Indigenous people (2.2% of the national Indigenous population).

Some communities are semi urban or regional while others are very geographically remote with limited infrastructure and community services. The 2016 Census data confirms there is a relatively stable average percentage (average 59%, range of 51% - 65%) of each community that is of working age. The percentage of each community with a recognised qualification is more varied (average 19%, range of 11% - 29%). These averages are close to the national Indigenous community averages. However, analyses of the census data do not suggest any correlation between the working age, qualifications and the progress or structure of each venture.

It has been pleasing for the project team to see the level of depth in aspirational thinking evident in the strategic frameworks developed by every case study community. The aspirations in most cases are contemporary and are expressed strongly and clearly, across all aspects of the community's future – health, culture, young people, employment, resource sustainability, environment, tourism, and fishery purpose (customary /recreational /wild catch /aquaculture).

However, it is unfortunate in some communities, that these enthusiastic starts to community economic leadership and development appear to have quickly stalled. In these stalled cases, there is little evidence to show how the articulated vision would be achieved through commercial means. There is need for every Indigenous community that pursues an economic development venture to undertake a formal process facilitated by people with commercial experience in the fisheries and seafood industry. We all expect this as standard practice in non-Indigenous commercial ventures, so why would we expect it to be different for Indigenous communities.

One troubling issue that has emerged in a number of consultations with community leaders relates to social welfare. The stated issue is that community driven ventures have to “compete with the welfare system” every time they seek to engage their own members in an economic development venture that requires community labour and participation. In small remote communities where the underutilised seafood resource is relatively large (e.g. Ugar Island in the Torres Strait) the potential commercial rewards for community from the venture are large and quite compelling. But securing a critical mass of active community participation in the business is not easy, as community members lack a sufficient personal economic incentive to participate and contribute in community ventures. One further twist to this welfare issue is reflected by comments from a few Indigenous communities, that some communities treat their fishery resources as an ATM (Automatic Teller Machine) – fish are only harvested when community members require additional personal cash from time to time. While this “welfare” conflict issue is beyond the scope of this project, it is important that communities

recognise this risk to their venture and choose governance and business models to mitigate its impact accordingly. One option is to lease out community fishery rights to third parties under terms that ensure fishery and seafood skills training will be provided onsite to the community.

3. CASH FLOW IMPACTS

Some case study communities have access to strong cash flows from other non-fishery ventures – others have minimal sources of cash. The availability of free (i.e. not tied to other program commitments) cash flow and therefore investable capital, has a major and direct impact upon the rate and direction of governance and economic development in a community.

For example, the Far West Coast SA community has longstanding mining service and land access agreements with Iluka Resources Ltd, related to significant mining ventures on its country. These mineral developments provide a stable and significant cash flow stream to this Indigenous community, both directly and through service provision contracts with the miner.

Access to cash means this community has surplus funds to invest and can therefore afford to retain professional legal and financial advice, onsite project managers, and experienced professional board members to support its governance decisions. The community's leadership team and board are therefore able to choose from a more sophisticated array of business models that are more commercially appropriate to their strategic objectives. This is the main reason why this community case study is rated at a relatively high top-end score of 2-4 on its IRG Matrix evaluation even though it has no operating fishery ventures (hence the low bottom rating of 2). The community has three fishery related ventures in various stages of concept development. It is clear that this community has the commercial skills, community capacity, and investment resources to pursue its fishery development aspirations.

Other case study communities have alternative mature sources of cash flow, including from both private for-profit ventures, and public funding commitments from governments and non-government organisations (NGOs).

Many of the case study community entities, as registered by ORIC are tax effective structures approved as deductible gift recipient organisations (i.e. charities) by the Australian Tax Office. This status is designed reduce their cash outflow exposure as they will not have to pay any tax on financial profits or surpluses.

4. GOVERNANCE

Over the 3-year period of this project, most case study ventures have progressed toward commercial launch and fishery operational status. As at mid 2017, four (Yagbani, Garngirr, Ugar, Aarli Mayi) had completed commercial harvests as planned, and the remaining three (Girringun, Gunditjmarra, and Far West Coast) were in concept, feasibility or business planning stages of development.

Each community has at least one ORIC registered Indigenous corporation, sometimes also with a parallel role as an RNTBC to manage Native Title matters. ORIC registration and compliance is the first rung in the development ladder and matters of community governance and primacy are two of the central issues. But the case analyses suggest that some communities default to this ORIC cultural-governance structure as the "safe" option to also oversee the community's

commercial venture and economic development activities. This default choice is appropriate for early stage community economic development but is not an appropriate model to drive economic development based on corporate governance and commercial risk management.

All case study communities are pursuing business models which seek to align and manage the central issues they face: i.e. the need to align and leverage equitable cultural governance aligned with commercially driven corporate governance.

"If you want to improve the standard of Indigenous governance in Australia, you have to first improve the management standard of Aboriginal corporations," "Too many Indigenous boards are being asked to govern organisations that are rife with problems and inefficiencies."

Kate George AICD 2014

In three communities (Ugar Is., Far West Coast and Aarli Mayi) the Indigenous members and their boards have the experience, expertise and confidence to design and establish an entity specifically to implement their business strategy, on a venture by venture basis. The management of cultural and project risks in this way is one of the obvious learnings reflected in the modern Noongar Community design, in south west WA.

The maturity of the community's cultural governance has a direct bearing upon the corporate governance choices made for an economic development venture. Communities with more clans and limited experience of non-Indigenous collaboration in commercial activities (e.g. Yagbani Cooperative, and possibly Garngirr Cooperative) will opt for shared cooperative "representative" structures which are serviced by family microbusinesses in the fishery. This enables each clan to lower its risks related to value adding, coordination and down-stream marketing, while raising its commercial gains directly related to its own clan's harvest effort in the fishery. This is a good strategy for clans to build skills – but it places more risk on the cooperative "hub" entity that must lead the business strategy to viability and manage these microbusinesses individually. The hub requires a corporate governance approach if it is to viably manage all its business interests and create wealth for its shareholder communities.

By comparison communities that have a high level of commercial experience possibly due to non-Indigenous collaboration (e.g. Ugar Island, Aarli Mayi) have established private fishery companies where the strategy and the clan representation are sitting right at the venture board table where all commercial risks are managed and shared equally. Microbusinesses are then established as secondary service providers to the venture where they are a viable alternative to deliver that service.

Strong Leadership is a central driver for good governance – be it cultural or corporate governance. This is the case for both Indigenous and non-Indigenous commercial ventures. Across all case studies reviewed, the project team has worked directly with community teams in six cases. Commercial progress is most easily achieved where the community's governance mandate for the leadership person or team is strong and clear, both culturally and in a business sense.

The analyses also reveal that most communities have gaps in their commercial leadership capacity. In some cases, the community has recognised this gap and retained experts and managers to do these tasks on behalf of the community. In one case the available Indigenous manager is very skilled and capable to lead but has no others with adequate skill and experience to support him drive the commercial venture.

Figure 70. Comparison of Case Study Venture Structures

A. Community Case	1 Yagbani, NT	2. Garngirr Fishing, NT	3. Kos & Abob, TS	4. Giringun QLD	5. Gunditjmara, VIC	6. Far West Coast, SA	7. Aarli Mayi, WA
a. Jurisdiction and location	Warruwi, South Goulburn Is., NT	Seven East Arnhem communities, NT	Ugar Is., Torres Strait, Commonwealth	Cardwell Region, Central QLD	Heywood Region, Western VIC	Ceduna Region, Western SA	King Sound, Kimberley, WA
b. Community scale and structure	402 people 5 clan groups	6,446 people 5 clan groups	70 people 9 clan groups	1,377 people 9 clan groups	707 people, 3 West Victorian clans, now in two TO groups	1,500 people, 6 clan groups	3,415 people 3 clan groups
c. Existing Cultural Governance	1 lead ORIC entity + 5 clan microbusinesses	1 lead ORIC entity + 5 clan microbusinesses	1 ORIC entity + 1 lead company + clan micros	1 lead ORIC entity + clan and sector entities	1 lead ORIC entity + service + program entities	1 lead ORIC entity + other sector entities	3 ORIC clan entities + other sector entities
d. Main Case Study Ownership entity	Yagbani AC. 2011 – 9 directors	Garngirr Fishing AC. 2013 - 8 directors	Kos & Abob Fisheries Inc. 2011 – 5 directors	Giringun AC. 1996 - 9 directors	Gunditj Mirring AC. 2006 - 3 directors	Far West Coast AC. 2013 – 12 directors	Aarli Mayi Aqua Project P/L – 8 directors
e. % of working age	58%	64%	51%	59%	54%	65%	60%
f. % with qualification	24%	11%	17%	16%	29%	16%	18%
B. Fishery Venture	<ul style="list-style-type: none"> Commercial aquaculture - Beche-de-mer ranching 	<ul style="list-style-type: none"> Commercial wild – Mackerel, Barramundi, crab, jewfish, snapper, etc 	<ul style="list-style-type: none"> Commercial wild - Beche-de-mer, Mackerel, Coral trout, cods, emperors 	<ul style="list-style-type: none"> Commercial wild – crab, inshore net species Non-quota species initially 	<ul style="list-style-type: none"> Tourism venture based on ancient aquaculture, Commercial wild - Pipi 	<ul style="list-style-type: none"> Recreational - tours, Commercial wild - abalone, finfish, shark, prawns, lobster 	<ul style="list-style-type: none"> Commercial aquaculture - Barramundi, prawns, aquarium fish
g. Native Title, or relevant IPA or TUMRA	Freehold land lease + exclusive intertidal zone	Freehold land lease + exclusive intertidal zone	Native Title declared 2014, Direct Sea country impact	IPA 2009 + TUMRA 2005 per agreement with Qld Gov't and GBRMPA	IPA 2003 + Native Title declared 2011, Direct Sea country impact	Native Title declared 2013, Minimal Sea country impact	Native Title declared 2011, Direct impact of Sea country
h. Business Model and Governance	<u>Community fishing cooperative Company</u> , leading clan and service fishing micro entities	<u>Community fishing cooperative Company</u> , leading clan and service fishing micro entities	<u>Community fishing Company</u> , leading clan and service fishing micro entities	<u>Community cooperative Company</u> , leading clan and sector entities. No clan fish micros.	<u>Community co-operative RNTBCs (2)</u> leading sector & service entities. No clan fish micros.	<u>Community co-operative RNTBC</u> , leading sector & service entities, trusts. No clan fish micros.	<u>Private fishing Company</u> , Shareholder Agreement -4 shares @ 25%. No clan micros.
i. Non-Indigenous Collaboration	MOU / JV Agreement - Tasmania Seafoods P/L	Not directly but could be part of supply chain	TSRA and Cairns seafood processors/exporters who funded working capital/risks	GBRMPA + Non-indigenous commercial fishery mentors	Victorian Government in Budj Bim Venture	Iluka Resources Ltd - mine access rights and FWCAC services	Maxima Opportunity P/L – Hutton family direct shareholder and mentor
j. Collaboration will deliver:	Skills: commerce, chain Market access: seafood	Supply chain and seafood market access	Skills (chain, processing logistics, management) and market access	TUMRA access, new fishery access and skills re non-quota species	Regional skills & support tourism planning, ranger	Cash flow, skills, employment	Formal JV with Maxima Opportunity P/L (Hutton)
k. Commercial Status	Structure established, Business Plan complete, JV Agreement complete	Structure established, Business Plan complete, Micro agreements to do	Structure established, Business Plan underway Micro agreements to do	Venture is only at concept stage, not yet a formal plan	Tourism Master Plan complete, operating tenders due in 2017	Structure established, Concept and feasibility review underway	Structure established, Business Plan complete Soon to operate
l. Major challenge for community is:	Lack of capital, Low community input, Lack of commercial skills	Large operating region, Poor infrastructure, Lack of capital, Lack of commercial skills	Small remote community Poor infrastructure, Low engagement, Lack of skills and capital	Poor infrastructure Low community input Lack of capital Lack of skills	Hi level skills for tourism planning and operations, Lack of capital, skills and engagement re Pipi	Remote locations Lack of infrastructure	Lack of access to capital Securing operating rights to aqua zone
m. Fishery Venture level in IRG Framework	Level 3 - 4: Early Economic development	Level 3 - 4: Early Economic development	Level 3 - 4: Early Economic development	Level 3 - 4: Early Economic development	Level 3 - 4: Early Economic development	Level 2 - 4: Cultural and Economic development still to be set for first fishery venture	Level 4: Advanced Economic development
Status at Nov. 2017	Harvest operational	Harvest operational	Harvest operational	Concept development	Business Planning	Concept development	First stocking in 2018

Sources: Case study community analyses and consultation, and Census data 2011 and 2016 (where available)

Figure 71. IRG Framework Assessment of Case Study Ventures

IRG Assessment Criteria		1 Yagbani NT	2. Gargirr Fishing NT	3. Kos & Abob Torres Strait	4. Giringun QLD	5. Gunditjmara VIC	6. Far West Coast SA	7. Aarli Mayi WA
Model	Communities are yet to finalise models. This is the likely final structural model.	Community coop in wild catch + ranching	Community coop in wild catch fishing	Community coop in wild catch + ranching	Community coop in wild catch fishing	Community co-ops in tourism and Pipi fishing	Private multispecies fishing company	Private multispecies fishing company
1. Primacy	1. Process to determine an Indigenous catch and allocation model	<ul style="list-style-type: none"> • Customary harvest • NT Gov't Strategy • Engagement and governance in place • Share allocations 	<ul style="list-style-type: none"> • Customary harvest • NT Gov't Strategy • Engagement and governance in place • Share allocations 	<ul style="list-style-type: none"> • Federal Act – PZJA • TSRA all licences • AFMA logbook plan • Engagement and governance in place 	<ul style="list-style-type: none"> • Customary TUMRA • QLD Gov't Strategy • Developm't Fishery • Engagement and governance in place 	<ul style="list-style-type: none"> • Minimal legislation • VIC Govt strategy • Engagement and governance in place • Permits required 	<ul style="list-style-type: none"> • Ministerial decision • SA Gov't Strategy • Engagement and governance in place • Sea rights uncertain 	<ul style="list-style-type: none"> • Customary harvest • WA Gov't Strategy • Aqua allocations • Engagement and governance in place
2. Cultural Practice	2. Legislation, policy, management strategies impacting cultural fishing 3. Fishing and non-fishing practices impacting cultural fishing 4. Models incorporating TFK into ARM (Aquatic Resource Management)	<ul style="list-style-type: none"> • Stable legislation • Uncertain TFK/TFM impacts – close engagement will mitigate impacts • Indigenous ARM role is available 	<ul style="list-style-type: none"> • Stable legislation • Uncertain TFK/TFM impacts – close engagement will mitigate impacts • Indigenous ARM role is available 	<ul style="list-style-type: none"> • Changing legislation • TFK/TFM impacts managed via AFMA process and local community • Indigenous ARM role underway 	<ul style="list-style-type: none"> • TUMRA agreement • Commercial fish licences available • Rangers have large ARM role and manage TFK/TFM 	<ul style="list-style-type: none"> • Stable legislation • Community has long term ARM engagement • Pipi TFK /TFM impacts uncertain 	<ul style="list-style-type: none"> • Ministerial choices • Strong community engagement and role in TFK / TFM • Allocation uncertain • Indigenous ARM role underway 	<ul style="list-style-type: none"> • Stable legislation • Strong community engagement in TFK /TFM practices and harvest shares • Indigenous ARM role is underway
3. Self Determination	5. Barriers to Indigenous involvement in decision making forums 6. Involvement of Indigenous people in all levels of Aquatic Res. Mgt. 7. Identify cost benefit of effective Indigenous consultation & extension	<ul style="list-style-type: none"> • Engagement in skills, and ARM, but JV partner in control • Need clan micro entities engaged • Needs financial subsidy to be viable 	<ul style="list-style-type: none"> • Engagement in skills, and ARM • Venture is 100% Indigenous driven • Need clan micro entities engaged • Viability uncertain 	<ul style="list-style-type: none"> • Community / micros 100% in control but lack of commitment • Lead role in ARM • Large ~\$0.5 m/year benefit available to community per year 	<ul style="list-style-type: none"> • Community role in customary, only - commitment unsure • Strong ARM role • Venture concept still being developed • Viability uncertain 	<ul style="list-style-type: none"> • Community controls tourism venture • Pipi venture commitment is uncertain • Lead role in ARM • Viability uncertain 	<ul style="list-style-type: none"> • Community seeking fishery options • Lead role in land ARM but not marine • Business cases untested - ventures look prospective 	<ul style="list-style-type: none"> • Community fully engaged and in control • Indigenous ARM for aquaculture is new • Business case is planned and viable
4. Economic Development	8. New models to ascertain the value of Indigenous fishing/seafood 9. Management measures to boost access to commercial resources 10. Commercial initiatives to boost Indigenous interests in sector 11. New benefit sharing models re fisheries use & access 12. Opportunity for Indigenous branding of seafood and fisheries product	<ul style="list-style-type: none"> • NT Gov't model • Venture will boost value of Indigenous fishery resources • Formal Business Plan established • Now operating commercially • Branding available • Need micro entities 	<ul style="list-style-type: none"> • NT Gov't model • Venture will boost value of Indigenous fishery resources • Formal Business Plan established • Now operating commercially • Viability uncertain • Branding available • Need micro entities 	<ul style="list-style-type: none"> • Venture is already boosting value of Indigenous fishery resources • Legacy business has been operating commercially – but no Business Plan • Branding is planned • Need micro entities 	<ul style="list-style-type: none"> • Venture will boost value of Indigenous fishery resources • Venture concept still to be confirmed • Detailed planning for tourism venture underway, but not yet for Pipi venture • Branding proposed • Needs micro entities 	<ul style="list-style-type: none"> • Ventures will boost value of Indigenous fishery resources • Two Business Plans are proposed • Not yet operating commercially • Branding available • Pipi venture concept benefits uncertain • Needs micro entities 	<ul style="list-style-type: none"> • Venture will boost value of Indigenous fishery resources • Venture concepts yet to be defined • Community has capacity, skills, track record, entities • Formal Business Plan yet to establish • Branding uncertain 	<ul style="list-style-type: none"> • Venture will boost value of Indigenous fishery resources • New aqua farm model in new WA aqua zone • Good commercial and niche brand prospects. • Indigenous entities have control.
5. Capacity Building	13. Capacity of sectors to engage Indigenous fishers and communities 14. Capacity of/opportunity for Indigenous R&D, management, etc 15. Building understanding of fishing industry structures and processes 16. Research outputs and info available in formats and languages	<ul style="list-style-type: none"> • Main stream is engaged - capacity platform available • Role in structures, processes and R&D is uncertain • Format of R&D yet to be determined 	<ul style="list-style-type: none"> • Community and mainstream supply chains engaged • Competitiveness uncertain • Role in structures, and R&D outcomes & formats uncertain 	<ul style="list-style-type: none"> • Small community lacks capacity • Good leadership roles in structures and processes • Role in R&D and related formats is small scale 	<ul style="list-style-type: none"> • Community leads customary fishing and ARM – limited commercial fishing • Venture is in early concept stages • Strong R&D roles in appropriate outcomes & formats 	<ul style="list-style-type: none"> • Community is very engaged in aqua tourism venture, but not Pipi concept • Good leadership roles in structures, processes and ARM • R&D role with outcomes & formats 	<ul style="list-style-type: none"> • Direct engagement • Potential model will target broad Indigenous interests in three ventures • Indigenous R&D and structural representation are unclear 	<ul style="list-style-type: none"> • Direct engagement • Business model with Indigenous and commercial goals • Role in sector structures • Broader structural representation and R&D are unclear
	Fishery's Level in IRG Framework	• Level 3 - 4	• Level 3 - 4	• Level 3 - 4	• Level 3 - 4	• Level 3 - 4	• Level 2- 4	• Level 4 - 5

5. JURISDICTIONAL POLICY SETTINGS

In Australia, Indigenous fisheries are subject to the fishery management and regulatory framework relating to their home waters. States and territories are responsible for waters out to three nautical miles distant from the coast; the authority that manages Commonwealth Fisheries (AFMA), is responsible for marine waters from three nautical miles out to 200 nautical miles from the coast. The Queensland Government's fisheries agency (QDAF) assists AFMA with operational fishery matters in the Torres Strait.

The project team has briefly reviewed the jurisdictional variations relevant to Indigenous fishery management. The analyses found a number of policy variations which reflect the local needs of species, habitats, fishery sustainability, fishery development, and the politics in that jurisdiction.

The key question is do these various policy settings constrain the economic development of Indigenous fisheries, and if so, does this have a material impact on the choice of business model used by the Indigenous community. The project team has come to the view that jurisdictional policy settings are real and often run counter to commercial outcomes (as noted for the Torres Strait in conclusion 1 above). But the team concludes that most Indigenous communities with a united and clear vision, and solid Business Plan can negotiate and chart a development pathway that will achieve their commercial objectives, regardless of seemingly intractable jurisdictional settings.

6. COLLABORATION TO BUILD COMMERCIAL CAPACITY

Across all case studies it is clear that Indigenous communities lack the experience and commercial skills to conceptualise, design, create, and operate a viable commercial fishery business. This is exactly the same set of business challenges facing the non-Indigenous community across Australia, apart from the difference in cultural mores. Community engagement, investment motivation, and a training culture are the critical drivers for creating long term Indigenous community wealth.

The pathway to acquire commercial fishery/seafood knowledge and skills varies across the case studies. Trust is fundamental – between clans, and with mentors, commercial partners and collaborators, and with retained management experts.

In the Aarli Mayi case there is a high level of trust between the three Indigenous clans, and with the single experienced non-Indigenous venture partner (Maxima Opportunity P/L, who hold a 25% shareholding). Therefore, the quickest and most effective way to transfer skills and capability is to collaborate formally, directly and fully as equal partners in the private venture. This is an action-learning approach and is very effective when trust is established.

By contrast the use of a Joint Venture structure based on commitment to product supply between Yagbani and Tasmanian Seafood P/L enables collaboration and skills transfer according to an MOU and is for operational matters only, not full corporate risk and management sharing. The Giringun community's fishery concept will specifically seek collaboration from local seafood TAFEs and experienced non-Indigenous commercial fishers to act as community mentors. Ugar Island's Kos & Abob directors acquire most of their harvest and seafood processing and industry knowledge from their main stream seafood buyers based in Cairns.

Model Criteria Checklist

Analyses of Business Models in the literature and in cases highlights these criteria for Indigenous fishery business model design:

- Cultural and corporate governance are clearly defined, separated and balanced,
- All families/clans are directly and equally represented in governance and decisions
- Each clan can individually or collectively develop its share of joint assets via a micro business
- One person can-not hold, simultaneously, a lead position in cultural advisory activity, while holding a corporate governance role
- Cultural and corporate governance roles need to be refreshed with new people periodically
- Use separate corporate entities to focus leadership, manage risk, define goals, monitor progress and enable transfer of assets and control
- Ensure each community engages in strategic thinking, linked to Business Plans
- Promote Indigenous engagement in every activity, especially commercial enterprise
- Invest in people to build leadership, skills and community capacity to manage businesses
- Collaborate with external parties to boost skills, experience and knowledge. Build partnerships and networks to develop baseline fishery data, do R&D and monitor Aquatic Resources.

All these forms of collaboration are appropriate to suit the evolving maturity and risk profile of the respective parties and ventures at that time. But tomorrow the business needs may have changed, and those new risks will only be overcome with new commercial skills and insights.

7. BUSINESS MODELS

A business model explains how enterprises work. It answers several fundamental questions; 'Who is the customer? What does the customer value?' How do we make money in this business? What is the underlying economic logic that explains how we can deliver value to customers at an appropriate cost?" These questions also ask about the owners, their intent and the culture they bring to business decisions and processes.

CRITICAL ELEMENTS IN A PREFERRED MODEL

The literature review for this project revealed five main business model options:

1. Family,
2. Hub and spoke,
3. Equal representation,
4. Combination – local government,
5. Combination – economic development and investment.

The earlier discussion in this report noted that the local government option (#4) introduced new cultural and elected representation concepts, but had a specific purpose less relevant to this project. That leaves four models and a number of inherent core principles (refer to Figure 7 for cultural and corporate governance principles), that must be integrated into any preferred model for the economic development of Indigenous community fisheries. These are discussed as follows:

- The baseline concept is of family or clan kinship (model #1 above) in a cultural group unit as the owners and beneficiaries of assets with rights to decide on their access and use. This concept is fundamental to cultural governance.
- Separation of parts of the business (hubs and spokes) into specialist activities (model #2) that can then each better focus on and manage communal shared assets for mutual benefit for all owners. This enables specialisation (possibly by skill, culture, geography, biology, function, responsibility or authority, etc) that creates better decisions, gives greater community control, and increases aggregate returns from the business. Specialisation, however it is achieved, creates better management of risk at its source, so the aggregate business venture is potentially more rewarding and profitable.
- Equity and trust are central concepts at the heart of family relationships in all human communities – they are also fundamental concepts of a business entity that operates in a commercial world. The equal right to influence decisions and to represent (model #3) a family interest, opinion or choice is well recognised in community lore and law – Indigenous and non-Indigenous. But a broader, more contemporary view of representation also carries with it an obligation or duty to contribute in a way that achieves the best outcomes for a business venture. This contribution then establishes the moral and legal basis for staking any

claim for a share of the wealth or dividends generated by the business into the future.

The three model components identified above relate to cultural governance. They are already evident in all the Indigenous community case study business models in this project. But Model #5 extends this cultural governance into an economic and business context. Detailed earlier in this report, the recently developed Noongar business model for Indigenous communities is the most advanced model to integrate both cultural governance and corporate governance. As such it is an exemplar to guide the design of a preferred model for the economic development of Indigenous community fisheries.

MODELS IN TRANSITION

Does one business model completely fit the needs every day for every Indigenous fishery community?

No.

All communities, Indigenous and non-Indigenous are dynamic. They change in response to community demographics, needs, aspirations, both internal and external, controllable and uncontrollable. They may change quickly in months, or slowly in years – the adverse impact of illicit drugs in many Indigenous communities is an unfortunate example.

Understanding the aspirations, risks and commercial objectives of the community is therefore fundamental to the decision about the best business model for today, and how that will also work tomorrow.

The chosen model needs all the base elements (drawn from the models discussed above) and to be flexible enough to grow with the community as its current aspirations are met and new objectives are set, for the community and for their fishery assets.

As a result of the case studies and the literature review undertaken, this project recommends the business model on the next page be the model adopted in Indigenous fishery communities.

BENEFITS OF THIS PREFERRED MODEL

The features and benefits of the proposed model (as presented below in Figure 72) are as follows:

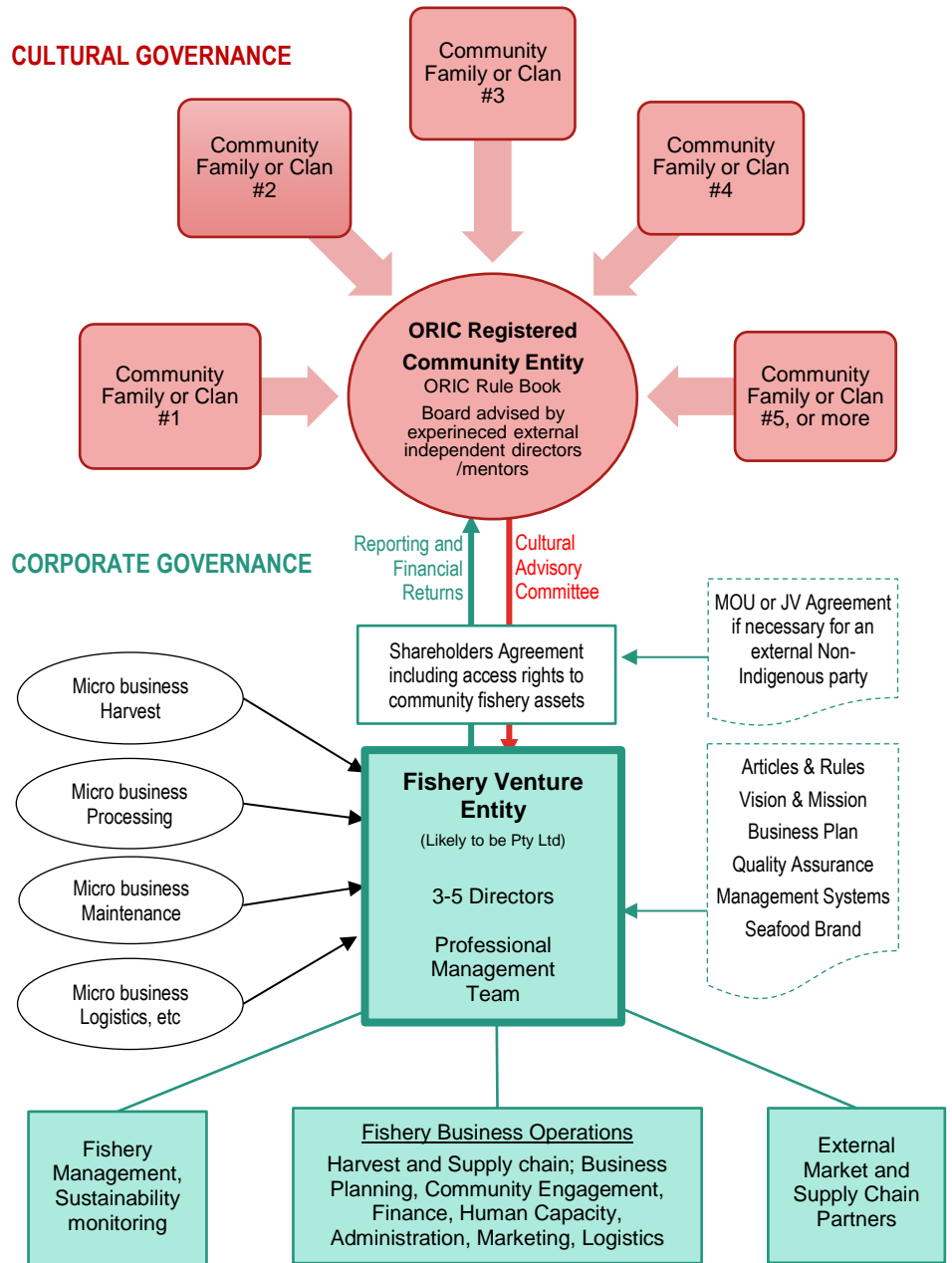
- It **integrates and balances governance** - both community cultural governance (red) and business corporate governance (green),
- It **enables existing ORIC Registered communities (the large majority of all communities) to build new governance assets and skills, and transition over time.** There is no need to change the baseline model to meet new aspirations. Once the community has established its initial cultural governance platform (in red), an ORIC entity registration will support the community with information and basic development training (e.g. governance courses), and require governance to be undertaken according to a Rule Book. All the case studies in this project have achieved this level and are registered with ORIC. At a time of its choosing the community can then implement a commercial fishery venture (or any other

commercial venture) as a corporate governance framework aligned with their cultural governance framework.

- The **community can choose the type of commercial entity** (Pty Ltd, cooperative, or via a Joint Venture), it wishes to operate its commercial fishery assets. This will depend on many considerations, including the level of community engagement, the level of trust between clans and 3rd parties, the existing cultural governance framework, the risk inherent in the fishery venture, and the skills/finance/markets and other gaps in the community's business portfolio and capability.
- The **community will continue to provide cultural advice** to the directors of the fishery venture, and will **receive reports and returns** from the venture,
- The fishery venture **must be run on commercial terms**, follow rules set out in a confirmed Shareholders Agreement and an up-to-date Business Plan,
- The model can be used for **all community fishery economic development**, including all fish species, across all sectors (wild catch, aquaculture and recreational fishing), and all jurisdictions,
- Indigenous clan **microbusinesses can be variously established as contract suppliers** to the new commercial venture if they are able to offer competitive services,
- Community governance will benefit from the appointment of **external independent governance and business mentors** to the community board,
- The commercial venture must be **managed by experienced professional managers**,
- The Shareholders Agreement will specify that there will be a **limit to the number of common Board members** (e.g. limit of two people) on the ORIC entity board and fishery venture board, to avoid conflict of interest and "group think",
- The fishery venture board will liaise with and **report to a single ORIC-registered community** entity,
- The Articles of Association of the venture entity will set the detailed **governance rules** for the fishery venture entity,
- **Operating arrangements for the venture entity** and any new fishery businesses can be determined by the venture board, and integrated as necessary.

Figure 72. Proposed Business Model for Indigenous Community Fisheries

Optimal Business Model for Indigenous Community Fisheries



B. OUTPUTS AND OUTCOMES

The protect team has created outputs with potential outcomes, observed, analysed and documented across an expansive national Indigenous fishery seascape.

This project fundamentally seeks to identify the human and economic drivers that will most effectively build the capacity and performance of Indigenous fisheries. That challenge requires decisions to be made regarding project assessment perspectives, and the scale at which the assessment will be undertaken to best service decision makers.

ASSESSMENT PERSPECTIVES

Four perspectives were used to guide case study selection, and therefore enhance project outputs and learnings.

- Australian Indigenous fishery communities undertake fishery activities in many fisheries and roles - customary, commercial, recreational; as employees, license holders or owners,
- Legislation impacting Indigenous fishers and fisheries varies from state to state and across the Commonwealth and territories,
- All fisheries, including those managed and owned by Indigenous communities, face changes. The main drivers of change are global food and tourism markets, economic and social changes, and environmental sustainability. All Indigenous fisheries are touched by these changes, but few have capacity to respond.
- Australia's Indigenous people are not homogenous. Each community family, tribe, or mob brings unique cultural perspectives to their fishing that influences the way they operate in the fishery.

ASSESSMENT SCALE

Quantifiable day-to-day project outcomes have been assessed by the project team at three levels in this framework, including:

1. For the macro national drivers for improving Australia's Indigenous outcomes, for health, education and training, economic performance, community safety and empowerment, use of the Indigenous Estate, non-Indigenous collaboration and co-investment, and other broad impacts,
2. For each of the seven micro case studies, the outcomes driven by detailed metrics of each community's business model; its capacity to access, control and leverage cultural and commercial fishery resources; and its desire to boost economic and community returns from these resources,
3. For the project proponent and investor (i.e. IRG/FRDC), the outcomes revealed through mapping of each Indigenous community against both its own aspirations and a template of "best practice" use of fishery resources, and then the extension of an R&D strategy to pursue this goal.

Twenty specific and quantifiable assessment criteria have been drawn from the IRG framework. These output and criteria (refer to Figures 2 and 3) enable a clear understanding of fishery model used, its status, and potential investment leverage that RD&E may bring to each Indigenous fishery community.

C. EXTENSION

Extension strategies have been developed to show the pathway to these desired outcomes and support communities and the IRG to achieve them.

The project developed and released to the IRG an Indigenous Extension Strategy for the project. The aims, audiences and key messages for the strategy were identified.

The Key Messages in the Extension Strategy start the development journey by defining an achievable community fishery aspiration, and carry it through via mutual shared objectives, to commercial execution.

D. RECOMMENDATIONS

The project team recommends the IRG consider the following actions:

1. **Implement a plan to identify Indigenous fishery communities across Australia that hold exclusive or non-exclusive rights and control of underutilised fishery resources.** Evidence from this case study project indicates that many existing coastal communities (either registered with ORIC or not) control significant fishery resources but are not aware of or contemplating development of these resources. This process would be best undertaken jointly with relevant ORIC and state and territory agencies.
2. **Encourage Indigenous fishery communities that seek to develop their fishery resources, to establish at least one community corporation registered with the Office of the Registrar of Indigenous Corporations,** as a minimum governance requirement. Most communities have already established this level of community cultural governance.
3. **Encourage each Indigenous fishery community (including local residents and remote TOs and members) to undertake a formal planning process** that, at a minimum;
 - Is built onto the preferred Business Model framework developed by this project,
 - Identifies and documents community aspirations and structures regarding its social, cultural, economic and environmental management capacity over the next 10-20 years,
 - Identifies and documents the community's aspirations and structures regarding the use and performance of their marine and fresh water fishery assets (including related tourism and ranger options), as a potential economic development wealth creator for the community over the long term (>10 years),
 - Wherever possible, introduces Indigenous community interests into any proposed commercial venture from the earliest stage (i.e. conceptual discussions) of that venture,
 - Identifies and documents constraints (including by regulators) and risks to achieving the community's desired outcomes generally and for its fishery assets,
 - Identifies and conceptualises a short list of potential fishery ventures that will be considered for commercialisation by the community,
 - Identifies and documents the community's members, families, clans and culture groups who will support a potential fishery development venture over the next 3-5 years, and the terms upon which they will

contribute (e.g. as a harvest family microbusiness supplying fish, as a skilled seafood processor employee, as a microbusiness supply repair and maintenance services, as a company manager or board member, as an employee in the company office, etc),

- Identifies and documents the community's physical and human resources and infrastructure, human capacity, proposed supply and market chain, networks and collaborations to implement an economic development (i.e. commercial) venture using its fishery assets, and related risks to and gaps in this capacity,
 - Identifies and documents the community's financial and investment capacity to support a development venture, and related risks to and gaps in this capacity,
 - Establishes and documents an agreed pathway to integrate and balance cultural governance with corporate governance in the propose fishery venture,
 - Is conducted as a process of engagement, consultation and shared learning, on site in the community over a number of weeks,
 - Is led by an experienced facilitator/planner who also brings contemporary commercial and fishery experience,
 - Is established as a profession plan circulated to the community as a basis for reflection, discussion, refinement and increased "buy in" by the leaders in support of the proposed fishery venture.
4. **Encourage community to identify commercial partners, networks and collaborations** that will engage an Indigenous community fishery venture and, in return for commercial contracts or venture shareholdings, provide critical skills, action learning opportunities for Indigenous people and microbusinesses from the community, and capital for their venture.
 5. **Empower Indigenous fishery community leaders to attend, contribute to and learn** from biennial joint seminars and workshops that discuss the challenges, learnings, outcomes and "war stories" that respective communities face and have resolved in their private journeys to develop their fishery assets.

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APPENDICES

APPENDIX 1. IRG'S 11 PRINCIPLES AND 5 ASPIRATIONS

The range and priority of outputs and extensions for this project has been drawn from the the Indigenous Reference Group's RD&E strategy framework, based on five aspirations and 11 Principles.

The five Aspirations are as follows:

1. PRIMACY - Description of fishery models currently in use; Benefits derived from existing models by sector; Criteria for valuing benefits against primacy rights; Relative value of current models. Measurement variables could include ranger connection, TFM (Traditional Fishery Management), TFK (Traditional Fishery Knowledge), fishery allocation, and legislative consistency.
2. CULTURAL PRACTICE - Policies and practices that enhance TFK listed and prioritised; Criteria and tools defined for monitoring TFK adoption into resource management models; Cultural practices assessed. Measurement variables could include fishing restrictions, iconic species, fishing impacts, valuing cultural fisheries, TFM/TFK, social indicators of commercial benefit
3. SELF DETERMINATION - Identified barriers to full and effective Indigenous involvement; Criteria defined for Indigenous involvement; Involvement by Indigenous people in Aquatic Resource Management assessed. Measurement variables could include engagement, governance, involvement, consultation, co-management, and Indigenous governance model use.
4. ECONOMIC DEVELOPMENT - Fishery valuation model options identified; Fishery commercial access, use, management measures and sharing models identified; Indigenous branding options identified; Criteria defined for Indigenous economic development; Fishery economic development status assessed. Indicators measured could include Indigenous fishery value (\$) and commercial access; Indigenous interest and concerns regarding fishery use and management; innovativeness of fishery management measures, governance, and sharing models; and evidence of Indigenous branding and other economic development activity.
5. CAPACITY BUILDING - Criteria defined for engagement, capacity, RDE formats, understanding, etc; Engagement capacity of main stream sectors assessed; Engagement capacity of Indigenous people regarding R&D /management /commerce identified and assessed; Alignment of this capacity with development aspirations and Fishery Management models; Understanding of structures and processes assessed; Availability and format of outputs assessed. Indicators measured could include the capacity and motivation of Indigenous and mainstream sectors for engagement with Indigenous fishing sectors and communities; changes in the skills and maturity of individuals and organisational arrangements; community understanding and capacity regarding R&D, fisheries management, commercial activity and related structures and processes; and the availability, format and language of outputs used for extension and adoption.

The eleven principles guiding these aspirations are:

1. Recognition of Indigenous people,
2. Fishery access and use,
3. Governance and pathways to better representation and management,
4. Resourcing for greater involvement,
5. Capacity and Indigenous empowerment,
6. Agency capacity to use Indigenous expertise, processes and knowledge,
7. Customary rights and knowledge included in TFK and TFM,
8. Knowledge and awareness of impacts on environment and traditional harvest,
9. Fishery management to improve access, protection and bring TFK and TFM input to processes,
10. Increased value - economic, social, cultural, trade, health, environmental, and,
11. Benefit sharing.

These aspirations and principles are integrated into the Planning framework presented below.

IRG's ASPIRATIONS and NEEDS

PROJECT OUTPUTS and OUTCOMES

<p>Primacy</p>	<p>1. Process to determine an Indigenous catch and allocation model. (examples of allocation models, value of allocation to various sectors, status, case studies) ACTION - send to access and allocation working group.</p>		<ul style="list-style-type: none"> ▪ Description of fishery models currently in use ▪ Benefits derived from existing models by sector ▪ Criteria for valuing benefits against primacy rights ▪ Relative value of current models assessed 	<ul style="list-style-type: none"> ▪ Understand the value of current Indigenous Fishery Models to Indigenous and other communities
<p>Cultural Practice</p>	<p>2. What legislation, policy, management strategies impact on Indigenous fishing practices? 3. What fishing and non-fishing practices impact on Indigenous cultural fishing practices, including identifying key iconic species? 4. Identify models to incorporate Traditional Fishing Knowledge (TFK) into aquatic resource management processes.</p>		<ul style="list-style-type: none"> ▪ Policies and practices that enhance TFK listed and prioritised ▪ Criteria and tools defined for monitoring TFK adoption into resource management models ▪ Cultural practices assessed 	<ul style="list-style-type: none"> ▪ Identify policies and practices whose adoption will enhance TFK's contribution to Aquatic Resource Management
<p>Self Determination</p>	<p>5. Addressing barriers to full and effective Indigenous involvement in decision making forums 6. Improving the involvement of Indigenous people in all levels of Aquatic Resource Management 7. Identify cost benefit of effective Indigenous consultation and extension</p>		<ul style="list-style-type: none"> ▪ Identified barriers to full and effective Indigenous involvement ▪ Criteria defined for Indigenous involvement ▪ Involvement by Indigenous people in Aquatic Resource Management assessed 	<ul style="list-style-type: none"> ▪ Identify pathways to enhance Indigenous involvement in Aquatic Resource Management
<p>Economic Development</p>	<p>8. Look at new models to ascertain the "value" of Indigenous fishing 9. Develop management measures that improve Indigenous access to the resource and fisheries for commercial purposes 10. Develop and start new commercial initiatives that maintain ongoing Indigenous interests and concerns in fishing and seafood 11. Explore innovative benefit sharing models from fisheries resource use and access (including employment) 12. Opportunities for Indigenous branding of seafood and fisheries product</p>		<ul style="list-style-type: none"> ▪ Fishery valuation model options identified ▪ Fishery commercial access, use, management measures and sharing models identified ▪ Indigenous branding options identified ▪ Criteria defined for Indigenous economic development ▪ Fishery economic development status assessed 	<ul style="list-style-type: none"> ▪ Identify pathways to enhance Indigenous involvement in the economic development of fishery and seafood resources
<p>Capacity Building</p>	<p>13. Building capacity of mainstream sectors to effectively engage with Indigenous fishing sector and communities 14. Improving capacity of (and opportunities for) Indigenous people to engage in research, fisheries management, and commercial activity 15. Building general understanding of fishing industry structures and processes 16. Research outputs and information are available in appropriate formats and language (extension and adoption)</p>		<ul style="list-style-type: none"> ▪ Criteria defined for engagement, capacity, RD&E formats, understanding, etc ▪ Engagement capacity of main stream sectors identified and assessed ▪ Engagement capacity of Indigenous people re R&D, management, and commerce identified and assessed ▪ Understanding of structures and processes assessed ▪ Availability and format of outputs assessed 	<ul style="list-style-type: none"> ▪ Identify pathways to build the capacity and understanding of all fishery stakeholders about the Indigenous fishing sector and communities

APPENDIX 2. NATIONAL CHECKLIST FOR CLOSING THE GAP

Key	COAG Targets	Headline Indicators
<input checked="" type="checkbox"/> The main measure has shown progress	<input checked="" type="checkbox"/> 4.1 Life expectancy	<input checked="" type="checkbox"/> 4.7 Post-secondary education – participation and attainment
- No significant change	<input checked="" type="checkbox"/> 4.2 Young child mortality	- 4.8 Disability and chronic disease
<input checked="" type="checkbox"/> The main measure has shown regress	? 4.3 Early childhood education	<input checked="" type="checkbox"/> 4.9 Household and individual income
Data gap	- 4.4 Reading, writing and numeracy	? 4.10 Substantiated child abuse and neglect
? Results are unclear	<input checked="" type="checkbox"/> 4.5 Year 12 attainment	- 4.11 Family and community violence
# Not applicable	? 4.6 Employment	<input checked="" type="checkbox"/> 4.12 Imprisonment and juvenile detention

Strategic Areas for Action - Red bordered boxes are Areas of Action in this project						
Governance, leadership and culture	Early child development	Education and training	Healthy lives	Economic participation	Home environment	Safe and supportive communities
5.1 Valuing Indigenous Australians and their culture	6.1 Antenatal care	7.1 Year 1 to 10 attendance	8.1 Access to primary health care	9.1 Employment by full time/ part time status, sector, occupation	10.1 Overcrowding in housing	11.1 Alcohol consumption and harm
5.2 Participation in decision making	6.2 Health behaviours during pregnancy	7.2 Teacher quality	8.2 Potentially preventable hospitalisations	9.2 Indigenous owned and controlled land and business	10.2 Rates of disease associated with poor environmental health	11.2 Drug and other substance use and harm
5.3 Engagement with services	6.3 Teenage birth rate	7.3 School engagement	8.3 Potentially avoidable deaths	9.3 Home ownership	10.3 Access to clean water, sewerage and electricity	11.3 Juvenile diversions
5.4 Case studies in governance#	6.4 Birthweight	7.4 Transition from school to work	8.4 Tobacco consumption and harm	9.4 Income support		11.4 Repeat offending
5.5 Indigenous language revitalization and maintenance	6.5 Early childhood hospitalisations		8.5 Obesity and nutrition			11.5 Community functioning
5.6 Indigenous cultural studies	6.6 Injury & preventable disease		8.6 Oral health			
5.7 Participation in community activities	6.7 Ear health		8.7 Mental health			
5.8 Access to traditional lands and waters	6.8 Basic skills for life and learning		8.8 Suicide and self-harm			

APPENDIX 3. STATUTORY DIFFERENCES BETWEEN PBCS AND OTHER CORPORATIONS

Sourced on 21 September 2016 from <http://ajatsis.gov.au/research/research-themes/native-title-and-traditional-ownership/prescribed-bodies-corporate>

Statutory differences between PBCs & other corporations

- RNTBCs and PBCs are special types of Aboriginal and Torres Strait Islander Corporations because they are created especially for common law native title holders to hold or manage native title.
- PBCs must have the words 'registered native title body corporate' or 'RNTBC' in their name, to signify this and must be registered with ORIC as required by the NTA whilst other Aboriginal and Torres Strait Islander Corporations can choose to register under other state or territory associations law or under the *Corporations Act 2001* (Commonwealth).
- PBCs have obligations under the NTA such as the requirement to consult with and obtain consent from native title holders in relation to any decisions which surrender or affect native title rights and interests.
- If an Aboriginal and Torres Strait Islander corporation becomes or ceases to be a PBC (RNTBC), it must notify the Office of the Registrar of Indigenous Corporations [external sites (ORIC)] within 28 days.
- PBC directors and officers are protected from a range of criminal and civil penalties for breach of duties if they have acted in good faith in complying with obligations under native title legislation (not including the duty not to trade while insolvent).
- PBCs are not required to value their native title rights and interests as part of their assets, for determining their size classification under CATSI.
- PBCs must ensure that their constitution is consistent with native title legislation.
- The Office of the Registrar of Indigenous Corporations (ORIC) must not change the PBC's constitution based on an act done in good faith and with the belief that the corporation or its officers are complying with native title legislation.

The Office of the Registrar of Indigenous Corporations (ORIC) is not able to de-register a PBC if it remains a PBC and manages or holds native title interests.

PBC Legislation and Policy

With the increasing number of successful determinations across Australia, PBCs have emerged as a key element within the native title system. Under the Native Title Act 1993 (NTA), PBCs are established for each native title determination in order to hold in trust or manage the native title rights and interests on behalf of the native title holders.

PBC functions and obligations are regulated by the:

- Native Title Act 1993 (Cth)
- Native Title (Prescribed Bodies Corporate) Regulations 1999 (Cth)
- Corporations (Aboriginal and Torres Strait Islander) Act 2006 (Cth)

However, state and territory legislations also interact with the rights and interests of native title holders that have been determined. Therefore, while there are prescribed activities that are listed in the legislation, PBCs have constitutions that reflect broader community aspirations and needs.

PBC Functions

Under the regulatory framework, the recognised primary functions of PBCs are to:

- protect and manage determined native title in accordance with the objectives of the native title holding group; and
- ensure certainty for governments and other parties interested in accessing or regulating native title land and waters by providing a legal entity to manage and conduct the affairs of the native title holders.

PBCs need to operate effectively so that native title holders can utilise and maximise their native title rights and engage meaningfully in land management. Concerns have been raised that very few PBCs can fulfil the functions intended under the legislation or the aspirations of the native title holders. Over the last ten years there have been increasing demands from diverse sectors for greater investment in PBCs. During 2006 there were 42 PBCs and in 2013 there are now over 100 PBCs across Australia

The kind of bodies that can be determined as PBCs (and therefore registered as RNTBCs) and their functions are set out in the NTA and Native Title (Prescribed Bodies Corporate) Regulations 1999.

APPENDIX 4. AICD INTERVIEW WITH MS KATE GEORGE

Extract from Interview published by the Australian Institute of Company Directors, Company Director Magazine, 1 August 2014.

Kate George is the youngest of 10 Indigenous children in a family raised in WA. Forcibly removed as a 3-year-old from her family, she was placed in an institution for 12 years and trained for a domestic life of sewing, cooking and cleaning for others. Qualified as a barrister and solicitor, she has served on the boards of more than a dozen organisations and is currently a non-executive director of the Telethon Kids Institute and the Kariyarra Mugarinya Property Joint Venture in the Pilbara. In an interview with AICD (1st Aug 2014) she provided some insights from her experience about Indigenous governance:

"If you want to improve the standard of Indigenous governance in Australia, you have to first improve the management standard of Aboriginal corporations," says George. "Too many Indigenous boards are being asked to govern organisations that are rife with problems and inefficiencies."

She favours a hybrid model of Indigenous governance, where boards take the best from the "orange" paradigm of mainstream governance, compliance and rules, and combine it with the "black" paradigm of Aboriginal culture.

But governance, says George, is still new to many Indigenous corporations, and a difficult style of decision-making for Aboriginal people.

How can the governance community help develop Indigenous leaders? It is an interesting question. Indigenous directors are dealing with two governance paradigms: for illustrative purposes, the black paradigm that is our culture and traditions and the orange paradigm that is mainstream, compliance, black-letter law and management of different knowledge. In a practical sense, these paradigms are mutually exclusive. I am a fan of hybrid models of governance, where Indigenous directors take the best parts from both paradigms, to create a new paradigm to best govern their organisation.

Professor Stephen Cornell, leader of the Harvard longitudinal study on Indigenous governance at the John F. Kennedy School of Government, says Indigenous governance is not about ticking a box, but rather a model reflecting the values and aspirations of the community. Under his approach, there is a cultural underpinning to Indigenous board decisions, which provides cohesion between traditions and also recognises the contemporary world Aboriginal directors live in. A success factor reflected by the Harvard study is that economic and cultural decision-making is carried out by separate processes with cultural values informing the economic decision-making. While there is not a strict dichotomy, there is recognition that different skill sets are required for each. The key is linking compliance and culture and making the rules very clear to Indigenous directors.

I wish I could say all of these new Indigenous boards had lifted governance standards, but that is not the case. Too many organisations, in my experience, rely almost solely on their CEO, usually a non-Aboriginal person, to make decisions. The board is an afterthought. The CEO and management often do not genuinely listen to the board, even though directors are the first to be blamed if something goes wrong. If you want to improve the standard of Indigenous governance, you have to improve the management standard of Aboriginal corporations. Too many

Indigenous boards are being asked to govern organisations that are rife with problems and inefficiencies. We desperately need higher-calibre CEOs across Aboriginal corporations, who can work more effectively and ethically with their boards.

Many Aboriginal corporations and their boards have big knowledge gaps and deficiencies in governance around, for example, succession planning, the respective role and responsibility of the board and management, and so on. If you put up your hand to raise these issues, you are immediately branded a trouble-maker, so directors stay quiet or resign and the cycle of poor performance and governance, at too many Aboriginal organisations, continues. We need to unpack these issues, depersonalise them and have a sensible conversation with Aboriginal communities about supporting Indigenous governance in Australia.

I would love to see AICD work with Aboriginal directors to develop and test models to help Indigenous boards and lift Indigenous governance standards, and develop a whole-of-sector governance approach. Training for Indigenous directors is a great initiative, but it needs to go further. I wish more Indigenous boards had a mentor they could draw on for governance advice. The Board for example, could form a sub-committee on strategic planning, and ask its mentor, who might be a non-Aboriginal director on the board of a top public or private company, for advice.

Or like mainstream boards, we could form a finance and risk management committee and ask our mentor for their specialist advice in this area. It is difficult for Indigenous boards to have all the skills needed to make governance decisions, and unrealistic to expect, without access to ongoing support and assistance. We must find ways to link Indigenous boards with non-Aboriginal directors, in an adviser capacity, who are willing to share their knowledge and passion.

You must remember that governance is something still quite new to us. A board process is not normally the way Aboriginal people make decisions. Indigenous boards sometimes have trouble relating to a non-Aboriginal CEO or assessing his or her performance. Being able to draw on the expertise of a professional company director as a mentor or adviser would add great value.