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23 JUL 2008

Submission No.....	30
Date Received.....	

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**SUBMISSION FROM TANGENTYERE COUNCIL, ALICE SPRINGS TO THE
INQUIRY BY THE HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON
ABORIGINAL AND TORRES STRAIT ISLANDER AFFAIRS**

Developing Indigenous Enterprises - The Road To Economic Independence

Dear Sir / Madam

The following comments relate to the current inquiry by the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs - Developing Indigenous Enterprises - the Road to Economic Independence.

The comments provided by Tangentyere Council relate to our own experience with operating five not for profit enterprises.

This submission contains the following:

- Part One. The enterprises that Tangentyere Council operates
- Part Two. The factors affecting the success of those enterprises
- Part Three. A model for linking CDEP participants with training, employment preparation and enterprise employment.
- Part Four. Recommendations for government assistance in developing Indigenous enterprises.

There are also several attachments which describe the five existing Tangentyere enterprises:

- Attachment One: Tangentyere Design
- Attachment Two: Tangentyere Constructions
- Attachment Three: Indigenous Landscapes
- Attachment Four: Tangentyere Job Shop
- Attachment Five: Alice Springs Employment And Training Services (ASEATS)

Yours sincerely



William Tilmouth
Executive Director.

Part One. Tangentyere Enterprises

Tangentyere Council has incubated several small enterprises since its incorporation in 1979. Today, five enterprises exist on their own as stand-alone businesses focusing on indigenous leadership, employment and growth of appropriate services in their varied operations.

The enterprises that Tangentyere runs are:

- Tangentyere Constructions (building company)
- Tangentyere Design (architect company)
- Tangentyere Job Shop (job network provider)
- Alice Springs Employment and Training Services –ASEATS – training provider
- Indigenous Landscapes – landscaping and concreting.

The development of these enterprises largely grew out of related services and programs that Tangentyere Council was already providing, and thus had experience in the provision of those services.

Tangentyere Design commenced operations as a semi-grant funded activity of the Council in the early 1980s and became a separately incorporated enterprise in 2000. It continues to provide design and project management services for indigenous communities in particular, and for other community projects requiring an innovative and indigenous aspect (see Attachment One for more details).

Tangentyere Constructions grew out of the Works and Repairs and Maintenance Department of the Council which commenced operations with Design in the 1980s. In 2000, Tangentyere Constructions became a separately incorporated body and has successfully tendered for town camp and remote construction projects since that time (see Attachment Two for more details).

Indigenous Landscapes NT grew out of the Land Management, Landcare, and Landscaping section of the Council, which also commenced operations in the 1980s. Tangentyere has run a small Nursery operation for remote communities and the town camps for over 25 years, providing appropriate local seedlings and citrus trees for the environmental and physical health of communities (see Attachment Three for more details).

Tangentyere Job Shop grew out of the Training section of the Council when training funds were no longer provided as grants, but had to be sought through the Job Network tendering process. Job Shop won its first tender in 2000 when it was separately incorporated and has continued its work in the specialist field of indigenous employment services since that time (see Attachment Four for more details).

ASEATS (Alice Springs Employment and Training Services) grew out of the CDEP operations of the Council. It was separately incorporated in 2007 to specifically run training opportunities for indigenous clients to provide them with the necessary skills for a variety of employment types, from jobs in the mining industry, to computer skills and sewing (see Attachment Five for more details).

Operating Structures of Tangentyere enterprises

All Tangentyere enterprises are set up as Charitable Trust companies of Tangentyere Council. Each has its own management board and was established at arms length from Tangentyere Council, so that if one of them faltered, the organisation as a whole wouldn't suffer.

Part Two. Factors affecting the success of enterprises

Tangentyere Council's experience has been in running enterprises under the umbrella of a well established Aboriginal organisation with good systems already in place to manage finances and recruitment and to provide linkages to other existing programs and enterprises.

One of the challenges to increasing the viability of indigenous enterprises in the NT is ensuring that those who are employed or running those businesses are sufficiently trained and skilled in carrying out the work required and in operating with efficient business management practices.

Therefore, while individuals who wish to establish their own business should be supported, establishing enterprises under the umbrella of a well functioning Aboriginal organisation has a number of advantages:

- Structures are in place to support enterprise management
- There are linkages to complementary services and to other organisations
- The organisation has networks that may bring business to the enterprise
- Training and work preparation prior to participation in an enterprise may be built in.

Tangentyere Council would strongly recommend that any assistance to develop Indigenous enterprises include assistance to Aboriginal organisations to establish viable enterprises.

In the NT, there is only a small number of Indigenous enterprises that supply to larger private businesses. This means that a minority business council model, while likely to be useful for those enterprises in existence, will have limited applicability. Nevertheless, it could be trialled to assess its effectiveness for those enterprises that are currently operating.

Tangentyere's enterprises supply services and programs that are largely subcontracted by the government. This reflects that the Northern Territory relies on government funding for much of its business because it has a large proportion of its population that has low income and is widely dispersed over a large geographic area. Nevertheless, Tangentyere's enterprises compete against the mainstream private sector for these contracts and tenders, and must operate efficiently to be successful.

The factors that Tangentyere Council has found to be of importance in establishing viable enterprises include:

- business advice from private financial consultants on cash flow management; using a government grant for that purpose;
- a strong financial support structure from Tangentyere Council;
- advice from Tangentyere's accounting firm Deloitte to help staff understand the dynamics of running a successful business;
- leadership from management boards on clear strategic directions;
- partnerships with other businesses or peak bodies where possible and appropriate;
- a competitive edge in providing services in which Tangentyere has expertise, usually in providing services to Indigenous people, organisations or communities;
- ability to employ people who have a combination of the cultural and technical skills needed to provide these services to Aboriginal individuals and communities;
- existing credibility of the umbrella organisation, in this case Tangentyere Council, that enables the enterprise to develop networks quickly;
- the ability to create linkages between programs and enterprises so that staff receive the training and work preparation they need before having the opportunity to work in an enterprise, thereby maximising its chance of success.

Part Three. A Model For Linking CDEP Participants With Training, Employment Preparation And Enterprise Employment

The Northern Territory has a large number of Aboriginal people employed under CDEP and Tangentyere Council believes it is important to create opportunities for these people to move into employment. One way of doing this is to create enterprises that are able to employ workers as needed to fulfil contracts in areas where work is needed for Aboriginal communities that is currently usually done by non Indigenous people. The major funder of this work is the government, and many businesses in the NT rely heavily on government contracts.

Many of the potential enterprises that Indigenous organisations might run, in which they have a competitive advantage, are contracted by government. This is a major source of opportunity for Indigenous enterprises in the Northern Territory. The Australian government has indicated that it wishes to include Indigenous organisations in the subcontracting of building and infrastructure work that will be carried out. This is the sort of opportunity that will be most likely to arise in the Territory and for which Indigenous organisations are ideally placed to take up. The types of work that this could include are personal services, employment services, construction work, landscaping, land care, and repairs.

Tangentyere believes that a model of enterprise development such as that outlined below would provide a useful progression for Aboriginal people into employment:

Work for the Dole projects

Many of the unemployed people in a community could participate in Work for the Dole projects as a first step to learn about the requirements of working on a set project in a basic way.

to

CDEP

CDEP via a STEP ERS that provides 3-4 weeks of working life training,. Training related to project jobs undertaken such as concreting, paving, landscaping and painting to be part of CDEP. CDEP would be for a smaller number of people than Work for the Dole, and only for those who show that they can commit to work. Others would stay on Work for the Dole or meet activity requirements in other ways.

to

Business

The next step from CDEP would be a not for profit company that provides employment for jobs that often come up in communities such as landscaping, repairs, and concreting. These would be undertaken either on a fee for service basis or under government contract.

Part Four - Recommendations

1. Any assistance to develop Indigenous enterprises include assistance to Aboriginal organisations, as well as individuals and private Indigenous owned businesses, to establish viable not for profit enterprises.
2. That governments continue to provide grants and/or loans combined with assistance in regard to financial management and business plan development to Indigenous enterprises. Government assistance in relation to financial management in business could be provided in the form of funding to engage private financial planning from approved providers, rather than from public servants employed by government departments.
3. That where governments are sub contracting to provide services to Indigenous people or communities, that Aboriginal enterprises be given preferential treatment where they are capable of fulfilling the contract.
4. For all major contracts in the Northern Territory, there are requirements for Aboriginal employment and training built into those contracts.
5. That the government trials incentives to encourage successful businesses to sub contract, do business with or mentor new Indigenous enterprises.
6. That a minority business council model be trialed, and that enterprises run by aboriginal organisations be included in that trial.

TANGENTYERE DESIGN

Purpose

Tangentyere Design is an architectural enterprise of Tangentyere Council. Its core purpose is to provide architectural and project management services to Aboriginal clients and communities in the Central Desert region. Tangentyere Design is committed to working with Town Camp residents, and other remote communities, in providing design assistance in housing and other community building projects. Tangentyere Design works as well on private commissions and offers architectural services to a variety of governmental and commercial clients.

Background

Tangentyere Council created an architectural division in the late 1970s to assist Town Campers in securing land tenure and to provide design advice for housing on the newly established leases. Through extensive consultation with Town Camp residents, a variety of housing types and designs were created and modified over the years. In the 1990s Tangentyere Design formed as an enterprise of Tangentyere Council; and in 2006 the practice became a fully registered architectural business.

Activities

Tangentyere Design is an award winning architectural firm with a distinguished history of professional work in Central Australia. For three decades Tangentyere Design has been at the forefront of national efforts to design, develop and deliver appropriate housing and community facilities for Aboriginal Australians. Through its extensive research and consultation with Aboriginal people, the practice has been responsible over the years for developing unique and affordable architectural solutions to community challenges.

In addition to its work with the residents of the Alice Springs Town Camps, Tangentyere Design also provides architectural and project management services to other remote regions of the Central Desert. Projects have included childcare centres, cultural centres, art centres, housing, office accommodation and community kitchens and other facilities. Our work also extends to private commissions, where we have provided professional design and project management services to small private clients as well as larger commercial concerns.

Tangentyere Design has been instrumental in setting the benchmark for appropriate material specifications, for secure environments and for climatically responsive buildings. We have historically - and remain to this day - committed to providing architectural and project management services to Aboriginal clients, government agencies, private individuals and commercial enterprises throughout the desert regions of the Northern Territory. We offer service in Alice Springs and in all Central Remote areas.

Notable Achievements

Tangentyere Design has won the recognition of the Royal Australian Institute of Architects by winning a variety of prestigious design awards over the years. These have included:

- 1. 2005 – Institute for Aboriginal Development, Alice Springs**
(in association with Susan Dugdale Architect)
Public Buildings Award, Commendation
- 2. 2004 – Nyinkka-Nyunyu Art and Culture Centre, Tennant Creek**
(in association with X Squared Design)
Tracy Memorial Award
Public Buildings Award
Indigenous Community Architecture Award
Colorbond Steel Award
- 3. 2000 – The Lolly Houses, Yuendumu**
Tracy Memorial Award
- 4. 2000 – Family Court of Australia, tenancy fitout, Alice Springs**
Interior Award, Commendation
- 5. 1998 – CATIA Visitor Information Centre and Offices, Alice Springs**
Interior Award
- 6. 1998 – Central Land Council Regional Office, Tennant Creek**
President's Award, Recycled Buildings

TANGENTYERE CONSTRUCTIONS

Background

Tangentyere Constructions is an Aboriginal owned enterprise, set up by the Executive of Tangentyere Council to maintain a level of self determination in the provision of high quality, cost effective housing and maintenance needs for the Alice Springs Town Camps and other clients. Important factors in the decision to set up the business include that it is run as a commercially viable enterprise, and that it provides employment opportunities for Aboriginal people.

The company is CAL accredited for both urban and remote area work and is well placed to service the construction needs of Central Australian Aboriginal communities.

Tangentyere Constructions has designed its own house model, which is appropriate to training requirements. This model has been accepted as one of the IHANT standard designs.

Tangentyere Constructions provided project management of the Central Region's Training Program between 2003 and 2006 (see details below). This program provided a model for the employment and training of local Indigenous people in building and repairing their own community's houses.

Services Provided

- General building
- Construction training and employment project management
- Aboriginal housing
- Specialist buildings such as schools, community stores and health centres
- Remote area construction services
- Renovations
- Management of community repairs and maintenance programs

Achievements

1. Building and Renovations and Upgrades

Between 2000 and 2007, Tangentyere Constructions:

- built 27 new houses on Alice Springs town camps
- undertook a number of renovations and upgrades of town camp houses
- replaced 113 solar hot water systems on town camp houses
- built a total of 25 houses and duplexes for the communities of Yuendumu, Santa Teresa, Hermannsburg, Kintore, Nyrripi and Ingerreke outstations
- renovated the office of Employment Assistance Services
- upgraded the Tangentyere Bank Agency and ablutions block
- Renovated the Laramba Women's Centre
- Renovated a number of houses on remote communities.

INDIGENOUS LANDSCAPES

Indigenous Landscapes NT is a land management and landscaping enterprise.

Indigenous Landscapes NT tenders to do contract works around Alice Springs. Employees are recruited, often from CDEP participants, to form a work gang under the supervision of a foreman / mentor. Income from the contracts is used to employ participants for up to 35 hours per week for a fixed period of time needed to complete the contracted work. Participants are trained on the job in specific tasks as well as being able to receive accredited training in occupational, health and safety, trade skills and driver education. Though the employment may be short term (up to 18 months) it helps participants develop good work ethic, reliability, provides self esteem and confidence which equips participants to tackle mainstream employment.

The best example of this was a contract from the Alice Springs Town Council to provide concrete margins along 10 kilometres of roads and two flood-ways in Town Camps. The project was run over 18 months employing up to 25 participants who received training on the job in concrete work, form laying and concrete finishing. The participants were also given the opportunity to obtain driver's licenses or upgrade existing ones. Some participants also received tickets to operate forklifts, skid steer vehicles and medium trucks. At the end of the project 80% of the participants involved took up permanent employment, some within the organization and others at the mines in Central Australia. Examples of other recent contracts include constructing a concrete car park and numerous landscaping projects in Alice Springs and in remote areas.

The Tangentyere Nursery will come under this enterprise in the future.

2. IHANT Central Remote Regional Council Training Project 2003/2006

The Central Remote Regional Council Training Project was project managed by Tangentyere Constructions and Tangentyere Job Shop and was designed to train and employ local Indigenous young people in the building of houses for their own community.

The program operated on Papunya, Laramba, Willowra, Docker River, Ampilatwatja communities and was organized in the following manner:

- The Indigenous Housing Authority of the Northern Territory (IHANT) contracted Tangentyere Constructions as project manager to oversee the construction of houses by the apprentices and builder trainer.
- The participating communities employed up to four apprentices, signed up with the New Apprenticeships Centre under STEP.
- Tangentyere Constructions employed builder trainers, who were people qualified and experienced in general building.
- The builder trainers supervised the apprentices and together they constructed two homes per year, which became the property of the community.
- In addition to the allowance paid under the Apprenticeship scheme the apprentices also received CDEP "top-up", and therefore received a better wage each week than they would if they were simply on CDEP. This was an incentive to encourage the apprentices to stay at work.
- Under the Apprenticeship scheme the participants enrolled in Certificate 3 in General Construction at the Charles Darwin University (CDU) Alice Springs Campus. The apprentices travelled to Alice Springs for "block training" at the CDU, and technical instructors from the CDU also travelled to the communities to undertake further instruction work with the apprentices.
- Approximately 70% of the housing construction is undertaken by the apprentices, with the remainder being undertaken by various trades people.

TANGENTYERE JOB SHOP

Purpose

Tangentyere Job Shop provides employment and training services to Indigenous people in Central Australia which are culturally sensitive and commercially viable. It is a commercial enterprise, operating as a charitable trust for Tangentyere Council, with its own Board of Management.

Activities

The Job Shop currently delivers two main employment and training services:

- Under its Remote Area Services contract, the Job Shop operates in five remote communities in Central Australia - Titjikala, Santa Teresa, Harts Range, Utopia and Ti Tree. The specific services provided are Job Network, Personal Support Program, Job Placement Employment and Training, the Disability Employment Network, the New Enterprise Incentive Scheme and Work for the Dole.
- In the town of Alice Springs the Job Shop offers three complementary programmes. These are:
 - (i) the Personal Support Programme, which is aimed at assisting people with major barriers to getting a job;
 - (ii) the Indigenous Youth Employment Consultant service, for people aged between 15 - 19 years old and seeking employment, education or training opportunities; and
 - (iii) the Access Programme, targeted at people keen to take on an apprenticeship.

Major partnerships

- Tangentyere Job Shop is a member of Job Futures Ltd, a not for profit national organisation providing peak body support to locally based job network and other employment related organisations, including a number of other Aboriginal organisations.
- Job Shop works closely with a range of employers, businesses and suppliers in Alice Springs and surrounding areas, and is an active member of the Indigenous Education and Employment Taskforce.

Awards and Achievements

- Job Shop's Personal Support Programme received a national Award for Excellence in 2007.
- Job Shop grew to a maximum employment of 42 staff, with more than 80% being Indigenous.

History of Tangentyere Job Shop

- The Job Shop commenced operating as a Job Network provider on 28 February 2000, under a three year contract with the (then) Department of Employment and Workplace Relations (DEWR) to deliver employment and training services in the town of Alice Springs
- Job Shop employed five staff initially and placed 84 people into jobs in the first year. Of these, over half were placements in the community sector, mostly in Aboriginal organisations, one third were in the private sector, with the mining industry being the biggest recruiter, and 13% were in the government sector.
- In 2002 Tangentyere Job Shop joined Job Futures Ltd. It also took on a contract to deliver the Personal Support Program.
- In July 2003 Tangentyere Job Shop was successful with the support of Job Futures in retaining its Job Network and Personal Support Program contracts. Staff levels increased to 13 at the beginning of the contract, and by the end of the contract in June 2006 23 staff were employed.
- In 2003-06 Tangentyere Job Shop performed well enough on the national Job Network star rating (performance) system to have its three year contract automatically renewed for 2006-09. In addition, the Job Shop was a part of the Job Futures successful bid for remote area services. Five remote Central Australian communities were identified as service delivery sites.
- In 2006-07, placed 237 Intensive Support Indigenous job seekers from Alice Springs and remote communities in jobs.
- In 2007, under a mid contract review, Tangentyere Job Shop lost its Alice Springs town based contract, but continues to operate in five remote communities and to run three programs as outlined above in Alice Springs.

ALICE SPRINGS EMPLOYMENT AND TRAINING SERVICES PTY LTD (ASEATS)

Purpose

The purpose of Alice Springs Employment And Training Services Pty Ltd (ASEATS) is to provide pre-employment and life skills training opportunities to Indigenous clients in the Northern Territory, particularly Alice Springs Town Camp residents, in a culturally sensitive way. Training provided is both accredited and non accredited. Transport and lunches are provided to all participants. A workplace training and post placement mentoring service is also available.

ASEATS also recruits, trains and employs indigenous clients for labour hire into industries such as mining, landscaping and civil works.

Background

Tangentyere identified an opportunity to develop a business extension of the Community Development Employment Programme (CDEP), with the possibility of keeping and extending an employment and training service if CDEP was abolished. Tangentyere CDEP was terminated in November 2007 as part of the rollout of CDEP closures under the Northern Territory Emergency Response (NTER).

ASEATS was incorporated in May 2007. Tangentyere Charitable Trust Company No. 5, ASEATS Pty Ltd, began trading as a proper company from 1 June 2007.

Activities

1. Vocational Training

ASEATS delivers both accredited and non accredited pre-employment and work ready training programs such as:

- ACCESS Certificate 1 in Work Readiness
- Short accredited course for Work Readiness
- Computer courses such as:
 - ⇒ Introduction to computers,
 - ⇒ Introduction to Word,
 - ⇒ Introduction to Excel,
 - ⇒ Operate a presentation package
 - ⇒ Send and retrieve information using web browsers and email
 - ⇒ Workplace computer training
- Men's and Women's Working Life Programs
- Working with landscapes courses
- Horticulture courses
- Fabric & Fibre Sewing course
- Indigenous Mentoring Service

2. Labour Hire

ASEATS provides indigenous labour requirements for special projects. ASEATS recruits, trains and employs Indigenous staff to work in the mining and other industries.

3. Civil Works

ASEATS has expertise, plant and equipment which give it the capacity to contract for Sewerage installation projects.

Achievements

In its first twelve months the business's turnover exceeded \$500,000. ASEATS has tendered to the Commonwealth to deliver Structure Training and Employment Projects (STEP ERS).

Partnerships

ASEATS has a partnering agreement with Jobs Australia Limited (JA). All accredited training is delivered through Jobs Australia as the Registered Training Organisation and is nationally recognised.

ASEATS is exploring the possibility of delivering training and employment services to parts of the mining industry.

ASEATS has been approved for admission to the STEP ERS panel in the Northern Territory.

The Future

The following are potential areas of development for ASEATS:

- Employment and training services for mines
- Work for the Dole Programs
- Training in 'Mentor Indigenous Trainees'
- Development of a team of Indigenous Trainers to deliver courses
- A hospitality unit to provide food preparation training
- Provision of sewerage upgrade to town camps and remote community outstations