Empowered Communities East Kimberley

binarri-binyja yarrawoo

empowered COMMUNITIES

OUR BUSINESSES MATTER

East Kimberly Aboriginal Business Survey 2020– The Final Report

May 2020

About Binarri-binyja yarrawoo

Binarri-binyja yarrawoo (BBY) is the backbone organisation for Empowered Communities in the East Kimberley.

Empowered Communities is led by Indigenous people, for Indigenous people and operates in eight regions across Australia.

Empowered Communities is a new way of working. Empowered Communities is a transformational reform that aims to empower communities by empowering people. It is led by Aboriginal people, because Aboriginal people need to have greater influence and control over the decisions that impact on our lives.

The Aboriginal-led reform initiative is underpinned by the principles of empowerment, development and productivity. Indigenous leaders from each region are working together with government and corporate Australia to change how Aboriginal policy is designed and delivered. It aims to shift the Indigenous affairs agenda from passive welfare and government overreach to empowerment of Indigenous families and individuals.

In the East Kimberley, BBY is the 'backbone' organisation supporting the implementation of Empowered Communities. Using a place-based collective impact model, BBY supports its members to work together to improve the lives of Aboriginal people in the region.

Visit us online at bby.org.au
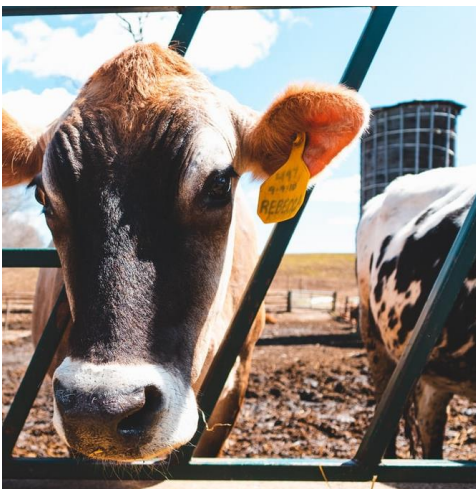
Messages from the Board

Since establishment in 2016, Binarri-binyja yarrawoo Aboriginal Corporation has worked to build a strong organisational base with strong governance policies, accountability to member organisations and a passion for change. As the backbone organisation for Empowered Communities in the East Kimberley, significant work has been undertaken to start building a shared way of working within Empowered Communities and for making decisions with Government over the long term.

We are committed to learning through doing and are developing ways to effectively implement community-driven initiatives for reform.

Our regional development agenda identifies our shared priorities for the East Kimberley to improve economic, social and cultural development for Aboriginal people. The Aboriginal Business Survey is a key part of understanding the current context of the economic contribution of Aboriginal people in our region, and the strong leadership of those people leading through business development.

The survey itself has been a significant undertaking for Empowered Communities East Kimberley and contributing partners. Through our Local Management Committees and Community Panels, we have heard that economic empowerment is not only about being employed, but it is also about feeling secure in our homes, providing for our families and supporting our social and emotional wellbeing. For the first time, this survey has measured not only business-related data but captured how people are feeling about being in business and operating community-controlled organisations. This data will tell us what we need to work on together to best support our Aboriginal businesses, and the individuals and families that operate them. We hope that this report can lead stronger collaborative conversations on the regional economy that place Aboriginal people as strong contributors, and Aboriginal organisations and enterprises as partners at the table.

Des Hill

Chairperson, Binarri-binyja yarrawoo

Messages from the Board

Empowered Communities seeks to transform the way Aboriginal affairs traditionally has operated, through the empowerment of people to create change in their communities with Aboriginal people leading decision-making, selecting local priorities, and delivering stronger outcomes for our people.

The purpose of Empowered Communities in the East Kimberley is about contributing to the bigger conversation about social change and empowerment for Aboriginal people. Success for this vision is more Aboriginal people in leadership roles, and Government taking on board the lived experiences of local people who have a vision on how things can be done better within our region. Economic development and empowerment are no different to these aims. Both Government and the private sector can become active partners in this process by resourcing the initiatives of local people and economic development, whilst taking a lesser role in people's personal lives.

The Aboriginal Business Survey and the findings as outlined in this report are a key driver in creating future opportunities under the East Kimberley Regional Development Agenda, by providing Aboriginal businesses with the chance to provide their story and ways to further development and economic empowerment in our region.

Natasha Short

Director, Binarri-binyja yarrawoo

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i. Executive Summary

Over time, there have been countless programs rolled out at all levels of government, targeted at supporting Aboriginal businesses and community-controlled organisations across Australia.

Australia's demand for Aboriginal businesses is on the rise, but in the East Kimberley, from a data perspective, we are still walking blind. Whilst it has been clear that Aboriginal enterprises and organisations do contribute to our region's economy, until now, there has been no meaningful or complete data source allowing us to fully understand the extent of this contribution, the unique struggles Aboriginal businesses face in the East Kimberley, and where investment may be best directed to obtain maximum benefit for the region and its people.

Following a robust community consultation period, Binarri-binyja yarrawoo Aboriginal Corporation (backbone organisation for Empowered Communities in the East Kimberley) launched its Aboriginal Business Survey in February 2020. The survey aimed to produce a baseline set of data to generate an informed understanding of:
1. objective economic indicators on Aboriginal-led enterprises and community-controlled organisations, such as annual income, asset value and employees;
2. the engagement of the East Kimberley region's Aboriginal operations with government funding and contracting; and
3. conceptual issues such as challenges and barriers faced by Aboriginal people when starting a business or operating an organisation, the wider benefits of Aboriginal enterprises and organisations to the community, and obstacles to the growth and success of these entities.

This report covers the survey background and methodology and begins with a summary of the key findings drawn from the survey analysis and strategic recommendations for the East Kimberley. The analysis contains detailed findings, based on cross-tabulation, and cluster analysis of the survey data.
Specifically, this report examines:
1. the challenges faced by Aboriginal enterprises and organisations in the East Kimberley region;
2. the disconnect between the number and value of government contracts being delivered in the East Kimberley, and the number of Aboriginal enterprises and organisations being engaged to deliver those contracts;
3. whether an appropriate level of business education and capability building services to facilitate growing Aboriginal businesses is currently being offered in the region;
4. the context surrounding the inhibitors to growth and development of Aboriginal businesses (i.e. whether this a question of apathy, the capacity to grow, time-management, funding etc.); and
5. the disconnect and lack of collaboration concerning business support services which results in duplication and a higher cost to serve clients;
6. the (often ignored) economic contribution of Aboriginal community-controlled organisations;
7. The detailed findings are accompanied by an appendix containing the survey questionnaire with response totals.

i.i Summary of Key Findings

The regional survey of 42 Aboriginal enterprises and organisations across the East Kimberley from 14 February to 27 March 2020 asked questions on attitudes toward business ownership/operation, and to reflect on their experience in the East Kimberley.

As found in the survey responses received, both Aboriginal enterprises and organisations have a unique contribution to the Kimberley and an opportunity to shape economic futures for the next generation.

The results found three key areas of current concern:
- – Growth and income diversification;
- – Employee retention and strong workforce;
- – Social concerns, such as intergenerational business and wealth generation.

What is at the forefront of concern is business viability. Both enterprises and organisations throughout the survey, and evidenced in quantitative findings as well as other key literature, are acutely anxious about contract (and income) longevity, financial security to provide job certainty to employees and business sustainability long term.

However, communicating with government funders and market players alone is not likely to increase the saliency of these issues. To raise awareness and promote action, factual information about Aboriginal businesses (both enterprises and organisations) in the East Kimberley and the threats to their viability must be validated and addressed through regional initiatives such as meaningful procurement policies, employment trends, preferred supplier listings and practical business support services.

Our analysis of the survey data identifies key strengths that will inform how Aboriginal businesses can contribute to wider economic development goals long term. It also makes 6 key recommendations to incentivize, support and sustain Aboriginal operations in the local economy:
1. Strengthen the economic profile of the local Aboriginal business sector in the East Kimberley;
2. Improve access to capital for Aboriginal start-ups in the East Kimberley;
3. Build the quality and quantity of Aboriginal enterprises in the East Kimberley through the establishment of Aboriginal operated accelerator programs, incubator hubs and continuous education programs;
4. Assist established Aboriginal enterprises and organisations in the East Kimberley to capitalise on larger opportunities with government and the private sector;
5. Meet procurement targets set by Commonwealth and State Governments at a regional level in the East Kimberley;
6. Improve data collection, measurement and access relating to the Aboriginal business sector.

BBY hopes that the results of the survey will now serve as a reliable data source that can be used to tell the story of the region's Aboriginal-led enterprises and organisations. BBY intends to use the findings of the survey to determine if there are common themes that can be linked to BBY's Regional Development Agenda and other baseline data sources. This will, in turn, indicate how future investment should be directed in the region to build the capacity and capability of Aboriginal-led businesses.

1. About the Project

1.1 Untold stories of Aboriginal businesses in the East Kimberley

These survey results are important- not just because of the data- but because of the stories being told behind the numbers. Stories of entrepreneurial spirit, and the persistence to see dreams to fruition. Stories of passion for Aboriginal development and betterment, and intergenerational change.

The enterprises and organisations who participated in this survey are to be commended. The Kimberley Aboriginal population is locally known to be one of the most 'over- surveyed' groups in Australia, which creates a high level of survey fatigue, mistrust and unwillingness to participate in surveys and research projects.

Up until now, stories of starting businesses and the challenges to keep them going have been largely kept as personal or 'in-confidence' by business support services. Local data is important to ensure that not only are the stories being told, but common themes and challenges can be addressed to support these people in the future. As an Aboriginal movement, it is important that Empowered Communities East Kimberley (Binarri-binyja yarrawoo) keeps its promise to the respondents to share the stories being told.

The survey respondents have provided rich insight into their worlds- their experiences, their worries and their livelihoods.

For that we are grateful.
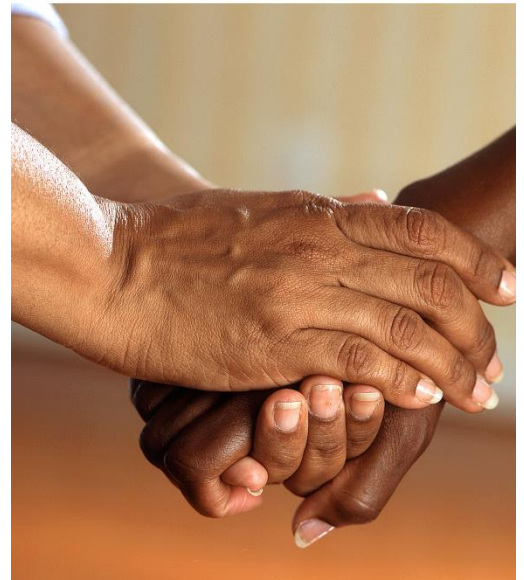
1.2 The East Kimberley

The East Kimberley for this survey combines the two shire boundaries in the eastern side of the Kimberley region- Shire of Wyndham-East Kimberley, and the Shire of Halls Creek.

Spread over approximately 260,000 square kilometres, it has 4 major townships and over 50 outlying communities. The population of the East Kimberley in 2016 amounted to approximately 11,000 people, of which approximately 55% (n=6,040) identified as Aboriginal [1].

While the Aboriginal population of the East Kimberley is relatively young, the proportion of young people is changing as this large cohort reaches working age. As this proportion increases there is greater potential for an economic return from demographic change [2].

The East Kimberley region experiences high levels of disadvantage. According to recent SEIFA scores (Socio-Economic Indexes for Areas (SEIFA) are a set of indexes created from summarising the diverse population, family and household characteristics related to socio-economic advantage and disadvantage), the Shire of Halls Creek is in the lowest decile nationally on the Index of Socioeconomic disadvantage and the Shire of Wyndham-East Kimberley is in the second-lowest decile [3]. Kimberley Aboriginal people have enormous economic potential, with over 91% of the region covered by Native Title claims or determinations and significant upside potential in jobs, economic contribution and social outcomes [4]. Economic development is the pathway out of poverty but approximately 50 per cent of Aboriginal people are excluded from the mainstream economy [4].

It is estimated that the total number of businesses (both enterprises and organisations) across the East Kimberley is 750 [4]. While the exact number of Aboriginal businesses is difficult to unearth for reasons discussed in the methodology, Aboriginal enterprises and organisations make up approximately 18% of the total business sector in the East Kimberley (n=~137), based on those businesses in current operation, and Aboriginal operated.

Based on our initial investigation, there are up to 166 known Aboriginal 'organisations' (Aboriginal community-controlled organisations and not-for-profits, including ranger programs) in the East Kimberley, and of those currently operating, an estimated 20-30 have commercial operations under their organisation (for example, art sales and cultural consulting). The organisations the East Kimberley are largely not-for-profit structures established for representation purposes (Native Title or community adminstration), which are headquartered at the lands or communities they are associated with. A second large proportion are organisations established for community development and social services, and are mostly headquartered in towns such as Kununurra and Halls Creek, and provide outreach services to outlying communities. As it will be explored in the findings, a majority of organisations rely on government grants for income, which in turn also relieves the government agencies of providing direct services in remote areas.

Additionally, there are approximately 64 known Aboriginal 'enterprises' (commercial entities and for-profit structures, including sole traders) across the East Kimberley (not including joint-ventures).

Compared to national data (as at the 2016 Census), there were 11,587 business owner-managers of Aboriginal and Torres Strait Islander origin, comprising 0.8% of all owner-managers in Australia [5]. According to the ABS,

the number of Aboriginal and Torres Strait Islander business owner-managers in 2016 increased markedly - by almost 72% - over the 2006 count of 6,756 persons [5]. However, this figure is contested when compared with longitudinal data, and total figures are estimated as a more conservative 30% growth rate [5]. The majority of Aboriginal and Torres Strait Islander business owner-managers ran unincorporated enterprises - at 63% (or 7,342 persons) in 2016. Nevertheless, Aboriginal and Torres Strait Islander ownership within the incorporated business sector grew by almost 117%; from a small base of 1,961 persons in 2006 to 4,246 persons in 2016 [5].

1.3 Survey Overview

Definitions

BBY's Aboriginal Business Survey was targeted at two primary groups of Aboriginal institutions and their contribution to the East Kimberley:

> 1- 'Enterprises': Commercial enterprises that operate in a marketplace (for-profit) either self-employed, small to medium enterprises or companies, and
> 2- 'Organisations': Aboriginal Controlled Community Organisations that exist for community development activities and community representation (not-for-profit).

Some institutions overlap (for example some ACCOs operate commercials activities in their organisation), but largely in the East Kimberley institutions are not-for-profit. However, both types of institutions have contribution and economic value, which this survey aims to explore.

The scope of these institutions adopted by the survey for the definition of 'business' was broad, and included:
- Aboriginal people who are self-employed (hold an ABN, identify as a sole trader, run their own business but do not have any staff);
- Aboriginal corporations that are registered under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act) (holding an ICN); and
- Any other business or organisation, either for-profit or not-for-profit, registered under the *Corporations Act 2001* that is controlled by Aboriginal people or organisations (holding an ABN or ACN[1]).

For this report, the term 'enterprise' is used when referring to respondents that are commercial enterprises that operate in a marketplace (for-profit) either self-employed, small to medium enterprises or companies, and 'organisation' is used when referring to Aboriginal Controlled Community Organisations. When speaking about the two institutions combined (or collective data from this survey), the term 'business' is used.

Structure

The survey was divided into 6 sections, each aimed at capturing a different element of the business's story.

Section 1 of the survey was aimed at capturing the survey respondent's experience of starting an enterprise or organisation in the East Kimberley. It asked for a basic description of the business's core activities, the benefits

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[1] The scope has not included specificity around Goods and Services Tax (GST) tax role (as the ABS would) as to include smaller enterprises where remitting GST is not required would exclude smaller operators (including some sole traders) in the Kimberley.

the respondent sees the business bringing to the East Kimberley community, the length of time the business has been running, why the business was started and the hardest parts of getting set up.

Section 2 of the survey was intended to help understand what supports people are receiving, and what supports might be needed to help future businesses. The survey respondent was asked what help they received when starting their business (in terms of advice, mentoring, help and finance), what the support the business is currently getting, and the support the business needs to meet its goals in future.

Section 3 of the survey was aimed at understanding business strength. Participants were asked to rate how successful their business had been to date and why, to describe long-term aspirations for the business, and to outline what they see as the challenges to the business growing or becoming stronger in future.

Section 4 was to help understand business growth trends for employees (including the business owner, and seasonal and casual employees). This was in turn intended to help measure Aboriginal businesses employing Aboriginal people, compared to non-Aboriginal businesses and contribute to measuring the economic growth of businesses. Participants were asked to indicate how many employees the business had employed over the past 6 months (broken down into sub-categories of employees) and whether over the next 12 months they would be taking on more employees.

Section 5 was aimed at helping to find trends of government investment awarded to Aboriginal businesses, to map the dollar value that Aboriginal businesses contribute to the overall Kimberley economy. Participants were asked to advise whether the business had held any commercial contracts with a government agency in the past 5 years (if so, which one, and if not, why not), whether the business had received any funding from a Government agency in the past 5 years (if so, which one, and if not, why not), whether the business would be able to adapt and survive if it were to lose 50% or more of Government funding/contracts, whether the owner had heard of the Aboriginal Procurement Policy (IPP), and finally, what the approximate total income was for the business for the 2018-19 financial year.

Finally, **section 6** invited respondents to provide any additional comments about Aboriginal businesses in the East Kimberley.

1.4 Research Aims

Before the rollout of the survey, BBY conducted a robust consultation phase with several BBY member organisations, Aboriginal Community Controlled Organisations (ACCOs) operating in the region, business support service organisations, as well as key figures in industry and government bodies. From this consultation process, feedback suggested that a survey was needed to understand:
– the challenges faced by Aboriginal enterprises and organisations in the East Kimberley region;
– the disconnect between the number of government contracts or grants offered in the region and the number of those grants and contracts awarded to Aboriginal-led enterprises and organisations;
– whether there are appropriate levels of business education and capability building services available to Aboriginal businesses in the region to facilitate growth;
– the context around the inability of Aboriginal-led enterprises and organisations to grow and develop; and

– the disconnect and lack of collaboration concerning business support services which results in duplication and a higher cost to serve clients.

BBY deems that success of the survey will be determined by the quality of the baseline data generated, and how it is used to inform future business development initiatives, increase participation of Aboriginal businesses in development activities and contracting opportunities, and increase employment opportunities in Aboriginal businesses in the future.

"I started my business because I wanted a change.

I wanted to be independent and have choice.

I am very proud that I have started my own business"

2. Methodology

For this study, non-random sampling was used to deliberately target individuals within a population. Purposive sampling targeting all active Aboriginal businesses in the East Kimberley (Respondents) was used. To compose a non-random sample list, an initial list of Aboriginal organisations operating in the East Kimberley region was obtained from Taylor (2020) [2]. The list was cross-checked against publicly available information through registries such as Supply Nation, the Aboriginal Business Directory WA, ASIC and the ORIC Register, together with local information. The final information provided by business services support organisations ensured a comprehensive database of the names and contact details of Aboriginal businesses operating in the East Kimberley. A total of 229 listings were identified for inclusion in the survey sample, with 137 being identified as eligible to participate.

Once identified, each business in the database was classified as 'active', 'inactive' or 'ineligible' to streamline the administration of the survey and maximize the response rate. Where the information was available, information on each enterprise and organisation was obtained from the ORIC and ASIC websites to determine the classifications.

- – 'Active': Enterprises and organisations that have more than $100 in assets, income or expenditure, or employ at least one staff member (inclusive of sole traders)
- – 'Inactive': Enterprises and organisations that had less than $100 in assets, income or expenditure, or and did not employ any staff, according to their most recent General Report published on the ORIC website. ABN is listed as inactive on ASIC.
- – 'Ineligible': Place of business (or brick and mortar) outside the East Kimberley, or not Aboriginal-owned/operated.

All Aboriginal businesses with a current listing on Supply Nation and/or the Aboriginal Business Directory WA were classified as 'active', as were all Aboriginal Ranger Programs and Aboriginal Pastoral Properties that an internet search identified as currently engaged in business, commercial or community development activities.
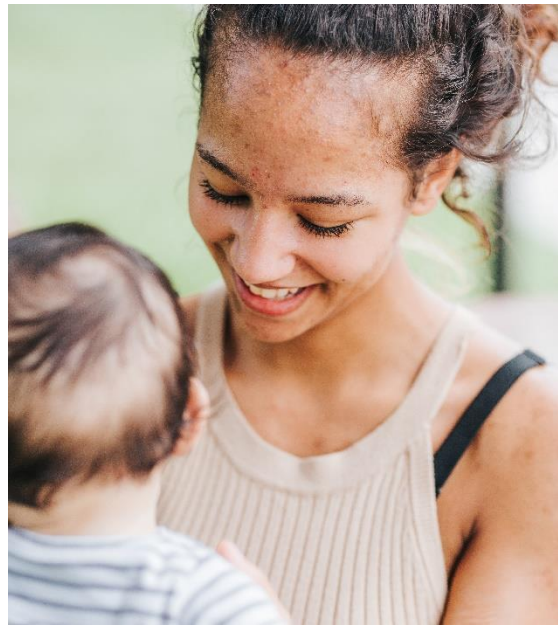
All respondents were classified and matched to a different sub-regions within the East Kimberley (I.e. Wyndham, Halls Creek, Kununurra, Kalumburu, Tjurabalan or Warmun), according to the location which was closest to the corporation's place of business.

Of the 230 identified, it was found that 94 were not operating ('inactive'), and a further 53 could not be contacted. This decreased the sample pool to 83 businesses, which were all were contacted to participate in the survey. A total of 36 who were contacted were not willing to participate in the survey, 1 was not Aboriginal-owned and was therefore out of scope, and 4 initially agreed to participate but subsequently withdrew. The final sample of 42 businesses (from a final pool of 83) was achieved, representing a response rate of 50.5 per cent based on those businesses still operating, Aboriginal operated and contactable.

As the purposive sampling achieved a response rate of 50.5% sampling error cannot be eliminated entirely. However, we can test for representativeness by comparing the proportion of organisations in the sample to entities.
We know approximately 166 (or 72 per cent of total Aboriginal businesses) Aboriginal organisations exist in the East Kimberley, and approximately 64 Aboriginal enterprises (28 per cent of total Aboriginal businesses). Against the proportion of 62 per cent of respondents in this survey being organisations, the sample can be inferred as representative of the industry makeup in the East Kimberley, and can, therefore, be generalizable to Aboriginal enterprises and organisations in the East Kimberley. As this was the first survey of this kind to be conducted, it is hoped that in the future sample size will increase.

More details on the methodology are described in the appendix.

"Being in a business based on cultural experiences is about doing what we do on a daily basis but sharing our stories and our experiences with visitors to our lands. Hopefully it gives hope to our own people that it can be done.

We also share the financial benefits with our own people when we go to their traditional lands. We often give talks to our own people about how we struggled and countered hardship etc. over many years.

We encourage more Aboriginal participation in this lifestyle as a career."

3. Findings

3.1 Sample Profile

Sample Size: 42
Organisations: 26 [2]
Enterprises: 16[3]

Distribution by locality
Wyndham: *
Kununurra: 21
Warmun: *
Halls Creek: 12
Tjurabalan: --
East Kimberley wide: *

Figure 1: Map

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[2] 26 respondents have been identified as "organisations"- Aboriginal Controlled Community Organisations and 'not-for-profits'.

[3] 16 respondents have been identified as "enterprises" -commercial operations and 'for profit' operations.

* - Exact numbers withheld for privacy

3.2 Business Characteristics

Questions in section one of the survey were designed to create an understanding of people's experience of starting a business in the East Kimberley.

The first question asked respondents to provide the name of their enterprise or organisation and describe their position or duty. A majority of respondents were people responsible for the business operations (owners or CEOs). Another 47 per cent of respondents identified themselves as Board Directors or senior staff members. This demonstrates the diversity of Aboriginal leadership positions in businesses and organisations.

Figure 2: Breakdown of total responses of respondent position, by percentage
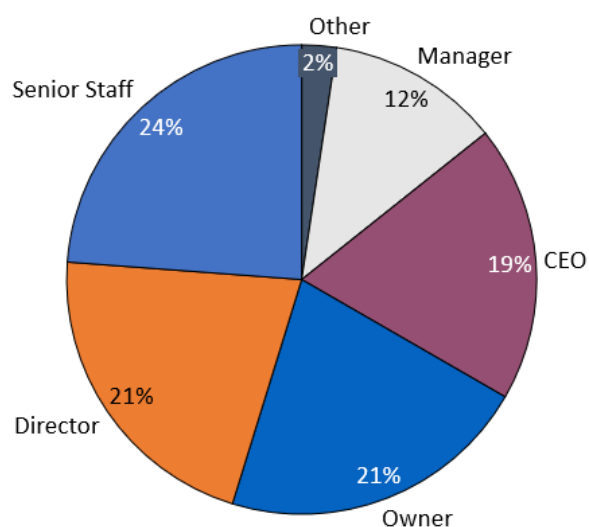
The second question asked respondents to describe what their enterprise or organisation does (industry type). Several pre-filled options were given for respondents to select from, ranging from 'agriculture, forestry and fishing' to 'media and telecommunications'. These categories were the same used by the Australian Bureau of Statistics Census survey form and the Australian and New Zealand Standard Industrial Classification (ANZSIC) [6] to support cross-referencing of data by industry type. An 'other' option was also available where business activities did not fit into any of the pre-defined categories provided. 'Other' responses largely included tourism and culture-based operations.

Figure 3: Breakdown of total responses of industry type, by percentage
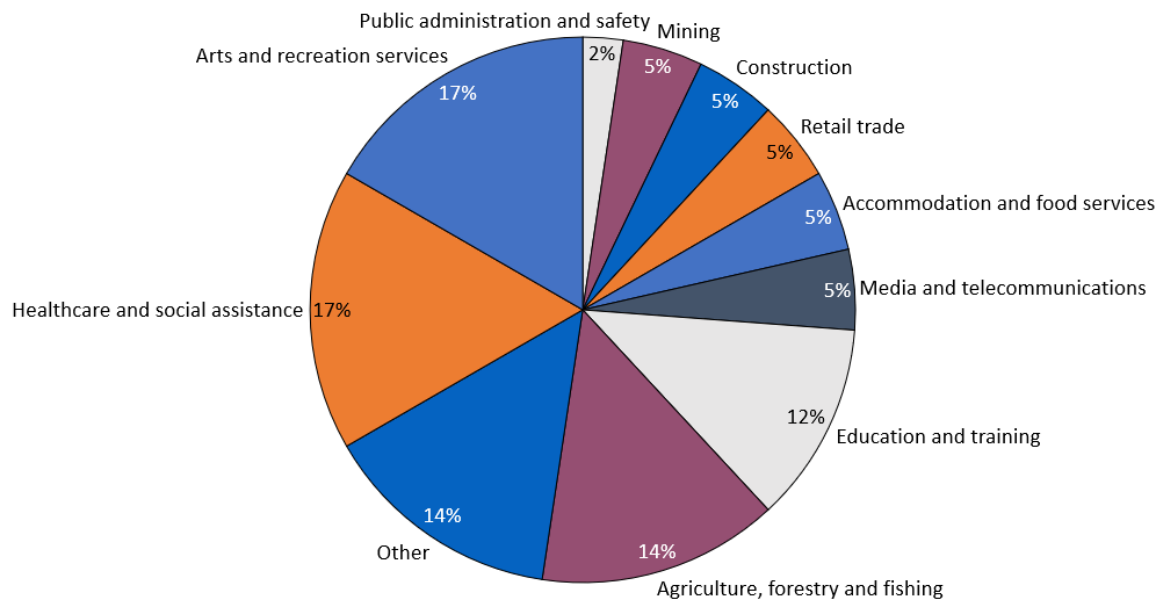
Of the responses, through cross-analysing business names (repressed in this report for anonymity) and business functions, 62 per cent have been identified as 'organisations' (Aboriginal Controlled Community Organisations, largely 'not-for-profits'). These organisations may have commercial operations within their business model as well as regular government funding. 38 per cent of participating organisations have been identified as 'enterprises' (commercial businesses and 'for profit' operations).

The survey then asked respondents to describe the benefits they see their business bringing to the East Kimberley community. The responses option to this question was free text, to allow for qualitative data. The data provided was rich in story, and common themes are present in the responses. This was by far the question with the most comprehensive answers. The below word cloud displays the keywords used the most in the responses (highest frequency).

The responses to the question of the benefit provided, demonstrate high levels of pride in owning and operating businesses, and when thematically grouped, represent six key benefits to the region:
  – employment opportunities,
  – benefits to individuals (feeling proud, happy, strong, capable),
  – promoting social norms and being a role model,
  – representing Aboriginal people in industry,
  – contributing to the local economy,
  – providing to the wider community spirit (sponsoring sports teams, helping in times of crisis, promoting the region).

Figure 4: Self-identified benefits provided

The length of operation was varied between respondents, however, a majority of businesses have been in operation for over 15 years. The highest response category was over 26 years. For the purpose of analysis, the businesses were grouped into three clusters:

  – 'Mature': Respondents who indicated their business has been operational for over 20 years
  – 'Established': Businesses who indicated business has been operational for between 6-19 years
  – 'Fledgling': Respondents who indicated their business has been operational for 5 years or less

Figure 5: Approximate length of operation, by institution type (years)

Respondents were asked to indicate why they went into business. The 'other' category and further information indicated that respondents wanted to create opportunities for themselves and their children and families. There is an indication that respondents want to establish businesses where their family can benefit from operations, through employment or income, or a sense of security (financial or otherwise).

Figure 6: Breakdown of total responses of the reason for starting a business, by percentage
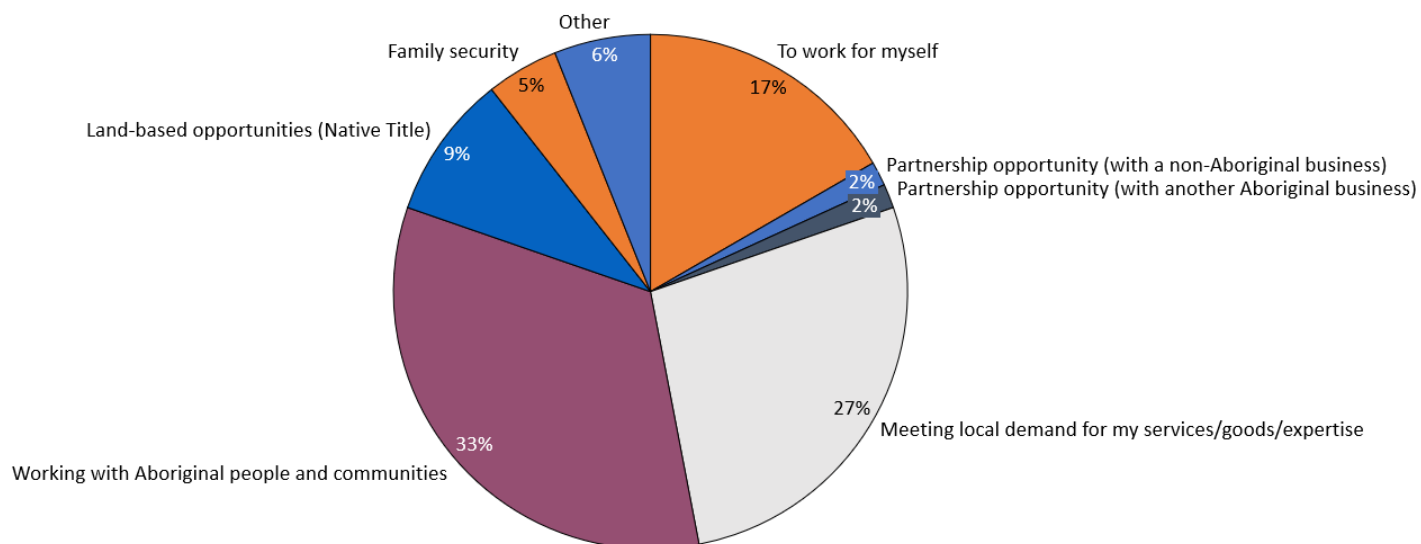
Organisations predominately started their businesses to work with Aboriginal people and communities (58 per cent of organisations), which aligns with the social and community development functions of Aboriginal community-controlled organisations. The second highest reason for organisations is meeting local demand for service, goods and expertise, which also fits within local contexts of community development aims, social determination and community representation by organisations.

Enterprises, however, most responded that they wanted to work for themselves and they were responding to the local demand for services, goods and expertise (59 per cent). Interestingly, enterprises still highly ranked working with Aboriginal people and communities, with 35 per cent of enterprise respondents indicating this.

When looking at the data by the length of operation, the 'mature' businesses (both enterprises and organisations) that have been in operation over 26 years, a majority were set up by grandparents out of opportunity or necessity. They are now operated by the family who has inherited the business. The inter-generational business ownership, land tenure and wealth generation are an important data point for the East Kimberley.

"[Name redacted] grew up on the property with his grandfather building the campground and taking campers out fishing for fun. There was a need to make it all official, so he made this part of it his own small business." - Enterprise respondent

"Our grandfather (and grandmother) started it - it was simply means to an end. He has been building the grounds up to pass down to his grandchildren (and further)." - *Enterprise respondent*

Respondents were then asked to provide more information on why they started their businesses. Self-determination and establishing something to hand onto the next generations (either in family or wider community) was the most significant topic raised by respondents. This establishes that Aboriginal business owners are acutely aware of inter-generational wealth creation and knowledge sharing, and strive to create social change through economic empowerment.

"It's my life and I can palm experience off to the next generation. I can wise up young people to be future leaders. I went into business to make a difference and make a change." – *Enterprise respondent*

Question six explored the hardest parts of setting up the business. This question relates specifically to the start-up phase of a business lifecycle and aimed to identify both 'hard' and 'soft' barriers to establishing businesses.

Figure 7a: Barriers experienced by enterprises when establishing a business, by percentage

Barrier	Percentage
Access to equity or capital (money)	58
Access to other businesses owners in the same industry to get good networks	23
Finding skilled employees	41
Access to telephone and internet	17
Resources and support (mentoring, help and advice)	47
Getting set up (filling in forms and getting business registered)	35
Infrastructure (roads and buildings)	17
Education and training opportunities	41
Racism and/ or discrimination	17
Language and/or cultural barriers	0

Predominately, respondents from both enterprises and organisations identified 'hard' barriers as their key struggles when starting. 58 per cent of total respondents stated access to capital as a significant barrier to starting up, followed by resources and support at 47 per cent, and finding skilled employees at 41 per cent.

Figure 7b: Barriers experienced by organisations when establishing a business, by percentage
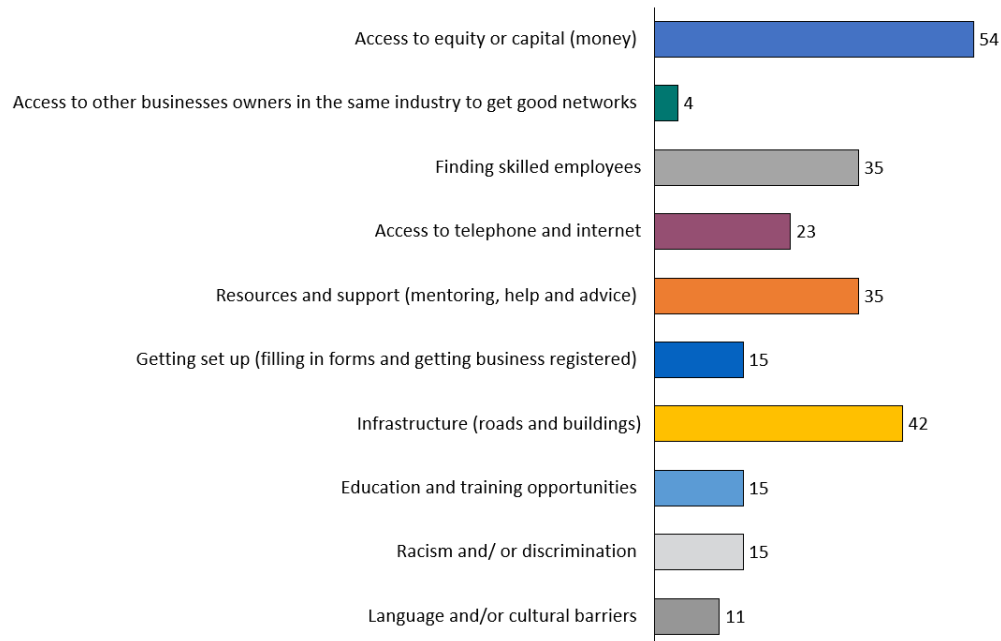
'Soft' barriers were moderately graded with education and training being noted by 15 per cent of total respondents. Of the respondents that stated racism and discrimination as a barrier, it was a fairly even distribution in responses from organisations and enterprises, demonstrating that these race-based barriers persist regardless of industry or institution type. Other soft barriers were more noted in the free-text responses in the 'other' category, which found barriers such as structural racism and lack of opportunity to start competing.

Respondents were very generous with additional information on barriers. Stories of mistrust and lack of faith from industry networks blocking "breaking into the market" were frequently mentioned by enterprises, as was funders/start-up finance providers shutting doors or being too slow (7 years according to one enterprise respondent). On a social level, respondents also spoke of lateral violence and "tall poppy syndrome", where not everyone is supportive of their ventures. Other Aboriginal people requesting services/goods without the offer of payment, difficulty recruiting and retaining Aboriginal employees, and overcoming "social issues… learning to overcome tragedies" also impact on the people establishing or operating organisations in the East Kimberley.

"Most people said we were out of our league… how many other Aboriginals were in business? Especially our type of work." – Enterprise respondent

Respondents also expressed feelings that the 'system' of business start-up is confusing and convoluted. Unclear pathways to seek start-up capital, misinformation on required paperwork/licenses to register the business and lack of education opportunities on how to run the business (HR, payroll, accounting, reporting etc.) that are suited to remote Australian contexts were all raised in the responses. As one respondent made clear, "the whole system is really not geared towards helping Aboriginal start-ups to last the long-run."

However, from the responses received it is clear that Aboriginal businesspeople and organisational leaders have determination, persistence and tenacity. Multiple respondents spoke of "doing it anyway" without adequate start-up capital, overcoming "frustration of dealing with [out of region] non-Aboriginal people", and put in their own "significant unpaid labour" to see their enterprise or organisation to fruition.

3.3 Supports and challenges

Questions in section 2 were designed to help understand what current business support is being received by enterprises and organisations, and what supports might be needed to help future businesses.

Respondents were asked to indicate who (if anyone) helped them to start their enterprise or organisation (in the areas of advice, mentoring and help). Several business support agencies were listed for respondents to choose from, as well as family and friends, 'other' or 'not applicable'. This question was important to have in the survey to get an indicative map of usage and take-up of available supports currently available in the East Kimberley. 'Not Applicable' was an option for those businesses that are unsure of how their businesses started (mostly those operating over 25+ years).

It must be noted that services such as Kimberley Jiyigas and Kimberley Small Business Support are relatively new operations, which could reflect the low responses for these supports- it is not indicative of the quality of service, current usage or demand for service. Other forms of supports were not listed as options, which have been indicated by respondents in text.

As represented in figures 8-9, personal or professional networks are a critical source of support, advice and mentoring when starting up either an enterprise or organisation, more so than formal support avenues.

Figure 8a: Supports received by enterprises when starting (advice, mentoring and help), by percentage

Figure 8b: Supports received by organisations when starting (advice, mentoring and help), by percentage
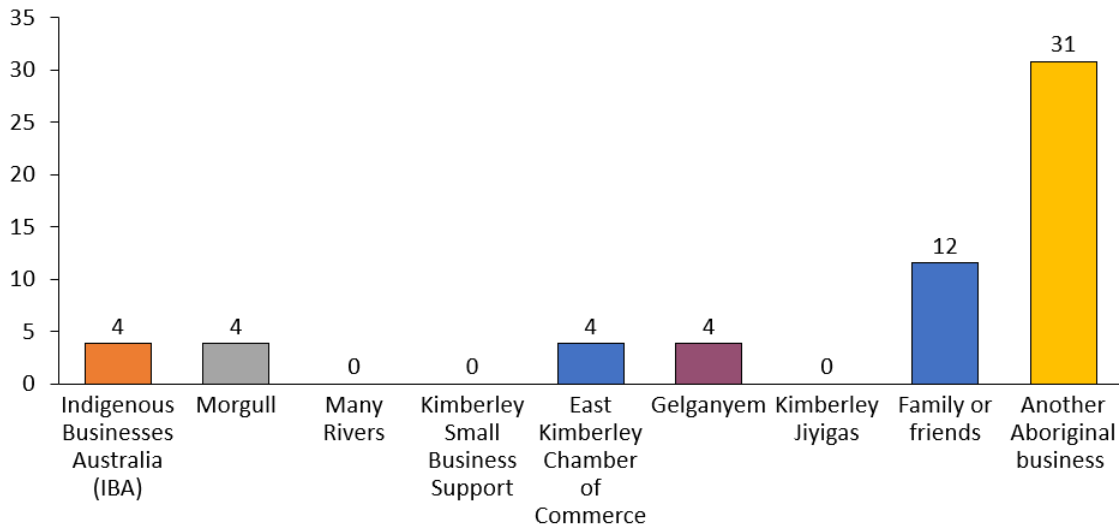
Aboriginal enterprises and organisations are around 92 per cent more likely to approach another Aboriginal business (or comparatively 86 per cent for more likely a company that is seen to be supportive of Aboriginal ventures, such as IBA) than the mainstream local chamber of commerce for advice and mentoring support. Across all respondents, the 'other Aboriginal businesses' were a mix of mature Aboriginal organisations (such as Kimberley Land Council, Wunan and MG Corporation), and other commercial enterprises in the respondent's local area.

Figure 9: Supports received by total respondents when starting (advice, mentoring and help), by per cent with difference indication
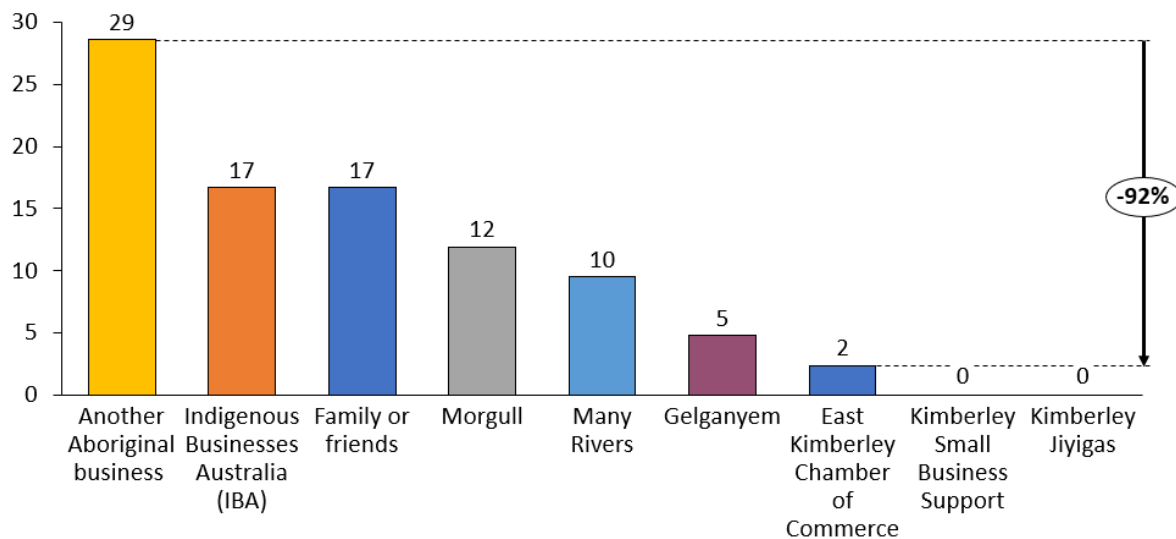
A similar question relating to supports was asked- who helped the start-up process, but this time from a financial perspective. Again, several pre-filled options were available (e.g. Grant from WA Government, a loan from a bank or credit union, or their savings), as well as 'other' or 'not applicable'. Results show that enterprises are largely founded from people's personal savings (41 percent). Only 18 per cent of respondents complemented their savings with finance from a bank or credit union.

Figure 10a: Supports received by enterprises when starting (finance and capital), by percentage
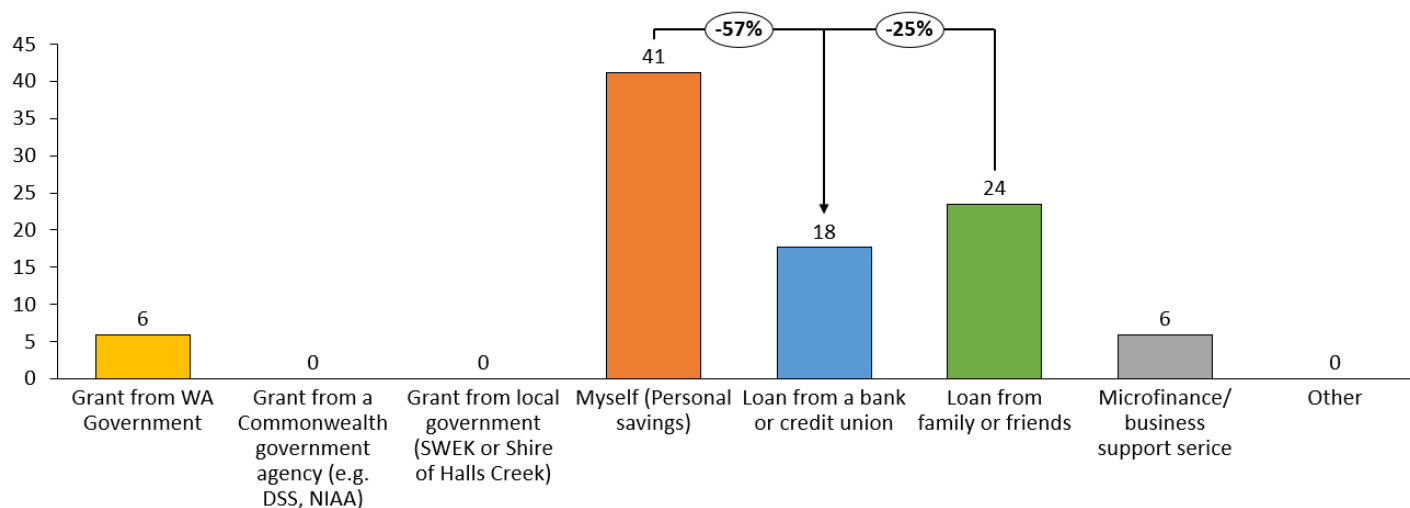
Comparatively, organisations are predominately started using government funding (35 percentage state-based funding and 65 percent commonwealth respectively). Based on this data the Commonwealth is giving the lion's share- up to 89 percent more than the state government- in supporting the start-up of Aboriginal organisations.

There was some anomaly in the data responses, which stated the receipt of donations (indicated in free text by 19 per cent of organisations in the 'other' category). It is unclear in the data who or what these donations entail. While movements such as "go fund me" and "kick-starter" are now prominent in modern economies, as well as the presence of royalties and family trusts, we do not have enough information to make assumptions on this outlier.
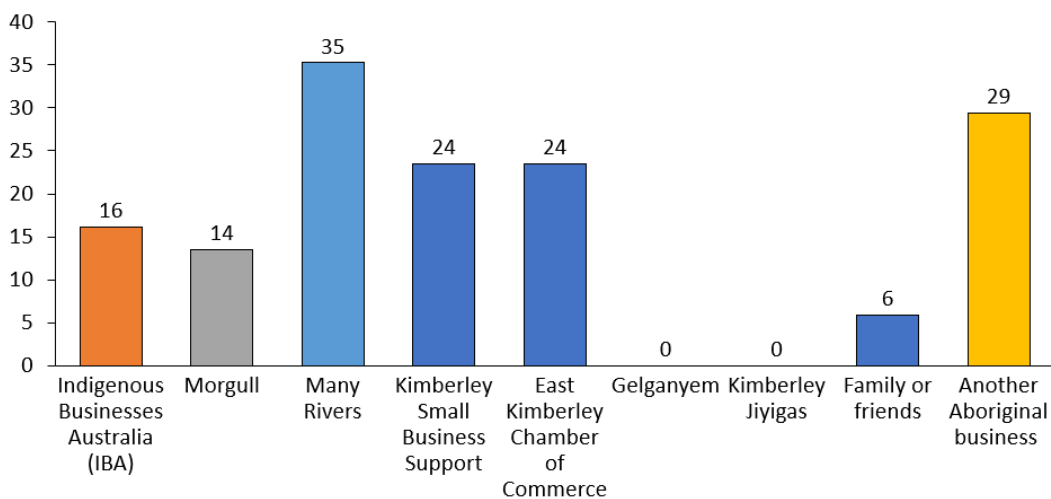
Figure 10b: Supports received by organisations when starting (finance and capital), by percentage
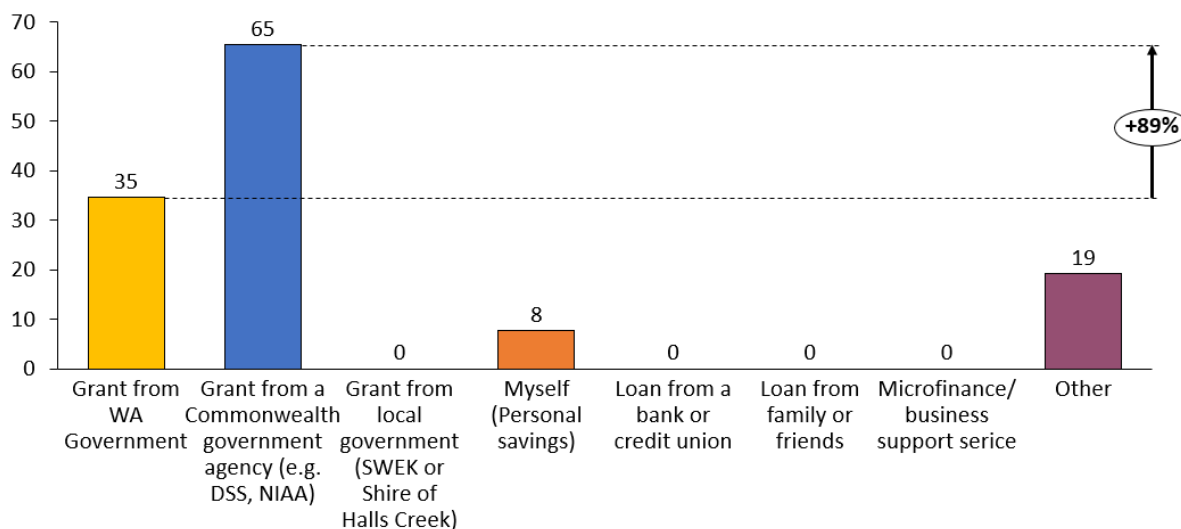
In this section of the survey, respondents were also asked to identify the support their business was currently receiving (if any). Pre-filled responses that respondents were able to choose from included planning, advice and support, human resource assistance (recruitment, payroll etc) and governance and board training, as well as 'none' and 'other'.

Figure 11a: Percentage of total identified supports being accessed
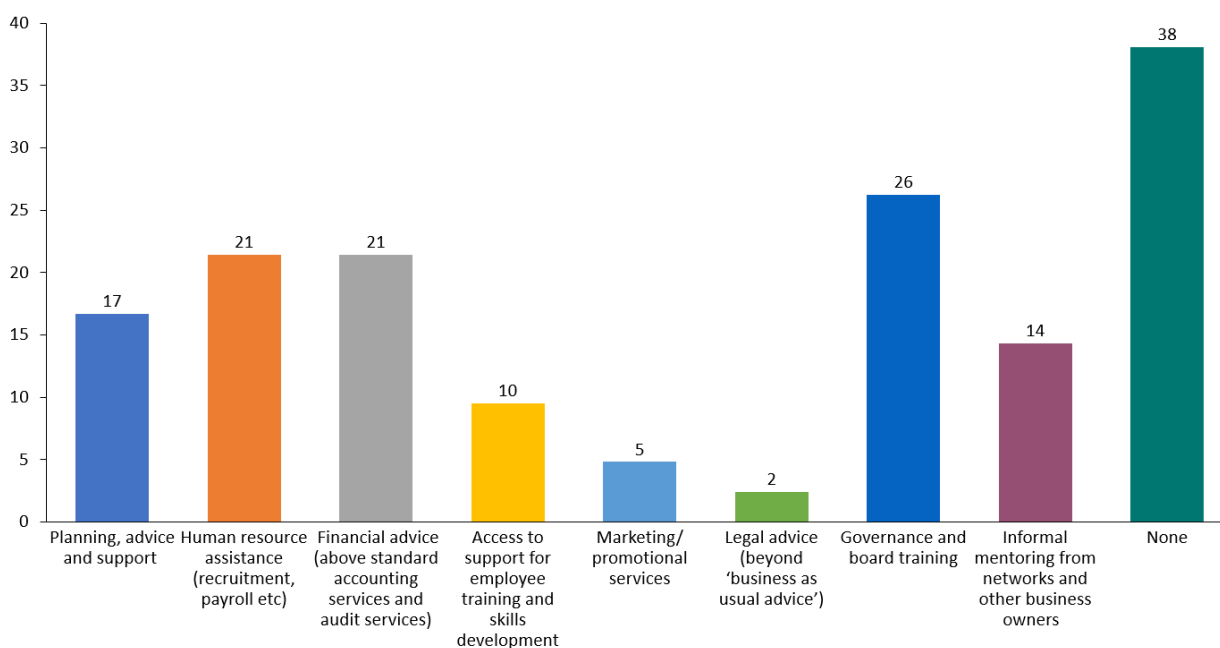
A high number of total respondents (38 per cent) indicated that they do not currently access any form of support for their business. The 'other' category responses made mention of the Jawun program, a national program for large corporates to assist Aboriginal Controlled Community Organisations in remote areas via 6-week secondments of their staff.

Figure 11b: Percentage of total identified supports needed
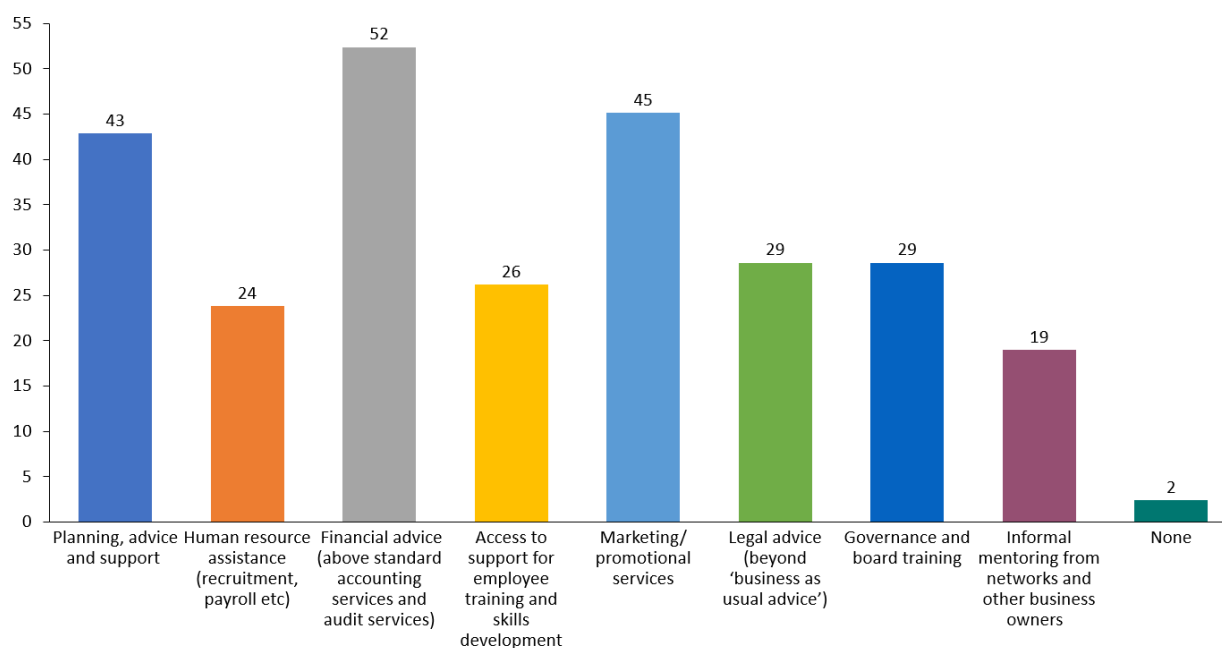
This question also asked businesses to identify what support was needed to meet their goals in the future. Pre-filled options available for respondents to choose from included legal advice (beyond 'business as usual advice'), informal mentoring from networks and other business owners, and business planning, advice and support.

From the responses received, 52 per cent indicated that more access to financial advice is needed. This was supported by qualitative data, where respondents stressed that diversifying income streams is a concern for Aboriginal businesses and organisations. Respondents are aware that sustainable businesses require income beyond non-ongoing government grants and initial start-up capital. Calls for innovative models and supports to secure consistent and ongoing work are made by respondents, as well as clear information on where (or who) to go to for help.

The responses to the 'other' category were largely relating to infrastructure- these Aboriginal businesses need support to establish new or maintain existing infrastructure (toilets and sewage, recording studios, roads, housing) to ensure business viability.

On further analysis, there is a 145 per cent unmet gap in accessing financial advice services across both enterprises and organisations. This data confirms the qualitative data provided by respondents. Comparatively, the demand for planning has a 157 per cent unmet gap, marketing and promotional services an 842 per cent

unmet gap, and a staggering 1,092 per cent unmet gap for legal advice. In other words, there is a need for about 1.5 times more financial advice services, and a need of up to almost 11 times more for legal advice.

Figure 12: Number of total respondents indicating the services/assistance they currently are receiving, and the services/assistance that they need in future.
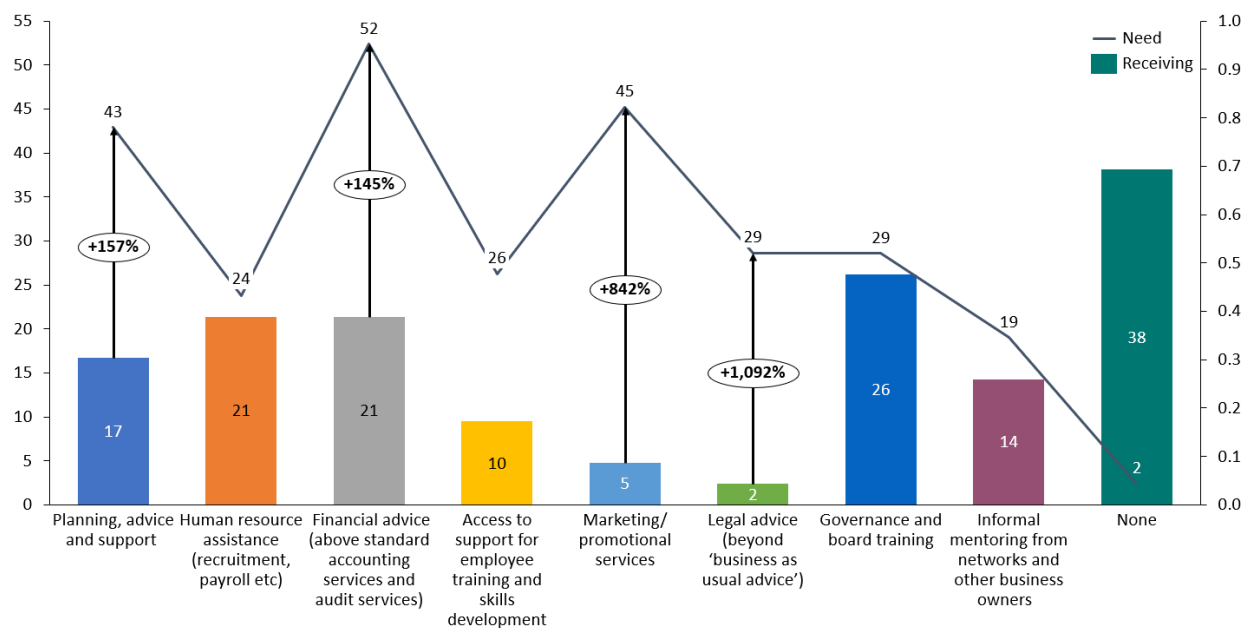
Respondents also spoke about needing general mentoring and emotional support, stronger leadership models, and upskilling of local staff. At least 3 individual respondents spoke about doing things themselves and feeling too small to receive help.

"People that are paid to help are paid to say (and withhold) certain information - they often have agenda that they themselves are trying to achieve, not ours - so informal [supports] are good for a chat. But really, I just want someone to give me advice without having to do a month's worth of homework to give to [business support services] first. We spend a lot of time giving people what essentially are business plans so they could see what they could do, and then never hearing from them again." – *Enterprise respondent*

Of the respondents who indicated that they are currently not receiving support (question 9), 43 per cent stated they need business planning support, access to finance and financial advice. These businesses range from 33+ years of operating, to those who are just starting (less than one year). This indicated that 'start-up' types of advice and support are needed throughout the business' lifecycle, as businesses look to diversifying and innovating in their business.

"There is also a large overlap of services. If a business wants to do a business plan, there are a lot of businesses that could do this, but there are huge gaps. There are no 'doers'. Consultants do business plans and leave them with you. Someone needs to work with us side by side otherwise plans don't get implemented." – *Enterprise respondent*

According to the 2016 census, looking at the WA, the outback regions had the highest proportions of business owner-managers without non-school qualifications (or with 'out of scope' or uncompleted levels). This is significant as it increases the need for expertise and adequately resourced support services to plug vital skill gaps that businesses require to flourish.

3.4 Attitudes

Questions in section 3 were designed to help understand business strength and document respondents' attitudes toward their business. In the survey, respondents express various levels of confidence, connection to, and concern for their business. One way to examine the views on this topic is to segment the responses into groups that hold similar views on aspects of business strength and challenges. A technique called cluster analysis was used to identify discreet groups based on attitudes toward their business strength and related issues.

Question 11 asked businesses to rate how successful/strong they had been to date. Respondents were able to choose from 'very successful', 'somewhat successful', 'not very successful' and 'not sure/don't know'. Respondents were then asked to describe why they had selected this rating for their business.

Figure 13: Respondents self-described successful business rating, by percentage
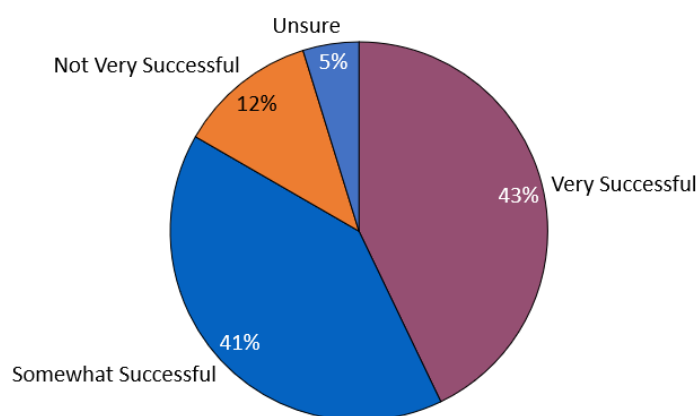
Overall, 43 per cent of respondents rated themselves as very successful and 41 per cent somewhat. The factor influencing the higher ratings of success is business length. 48 per cent of 'mature' businesses rated themselves as very successful or somewhat successful. 'Established' businesses mostly rated themselves as somewhat successful with 58 per cent response rate to this option. 'Fledging' businesses were just as likely to rate their business as somewhat successful as they were not very successful- this reflects the precarious nature of the first five years in business. This analysis demonstrates that the longer a business operates the more confident in operating, and therefore higher perceptions of success are likely to be.

From additional qualitative data provided by respondents, the cluster definitions in this analysis of responses are formed around five key concepts. Those that stated their business was 'very successful' also revealed:
- Aboriginal business leaders having a good education
- Aboriginal staff that are committed and share an excellent workplace culture

- Aboriginal knowledge and ways of doing things embedded into all levels of the organisations and processes
- Strong reputation and "everyone knows our name"
- Stable finances and steady revenue

Upon analysis of the cluster groups, it was found that 66 per cent of these businesses who rated themselves as 'very strong' are receiving current supports, mainly in staff training and development, and human resources support. Comparatively, 80 per cent of respondents who described their businesses as 'not very successful' are not currently receiving any support. For this cluster group, the dominant concept was a lack of support from the wider community - "People have established relationships in the area which means it is hard to get a foot in the door. It is also hard to know where tender opportunities are."

Question 12 asked the respondent to describe the long-term aspirations for their business.
The data provided was rich in story, and common themes are present in the responses. The below word cloud displays the keywords used the most in the responses (highest frequency).
The key messaging from respondents to their aspirations is to create a future where the East Kimberley has more local Aboriginal businesspeople and organisational leaders, particularly the younger generations.

Figure 14: Long term aspirations

Among the responses, there are four recurring aspirations across both enterprises and organisations:
- Aboriginal business respondents want to leave a legacy- to their children, grandchildren, family and communities;
- Grow the enterprise/organisation and be able to take on more Aboriginal employees;
- Become financially independent and not rely on government grants;
- Expand service reach and offerings, and grow in size (infrastructure such as more offices, airstrips, facilities for tourists, roads to increase access etc).

Question 13 asked respondents to identify the challenges to their business growing or becoming stronger. The responses option to this question was free text, to allow for qualitative data. Among the responses, there are four recurring challenges for both enterprises and organisations:

- Ability to take on, retain and train up more Aboriginal employees;
- Strengthen government contracting to supply consistent work to retain employees and sustain an income in market 'lulls'
- Imbalances of supply and demand in the local market; gaps are too quickly flooded and not sustained
- Access to appropriate resources and infrastructure to grow business (office spaces, vehicles and machinery)

Deeper in the responses, respondents also reflected on Aboriginal disadvantage and development. Lack of knowledge of a 'whitefella' system as well as significant pressures to assist family and community out of disadvantaged situations take a toll on Aboriginal start-ups, enterprises and organisations trying to grow.

"The focus on the economics as a way of 'helping' Aboriginal people. You can be successful in a business or in a job but still suffer trauma and still have to take on the struggles of other family members. With community-driven direction on how to provide this holistic support, all other Closing the Gap outcomes would fall into place."- *Organisation respondent*

Respondents also spoke of competition with established non-Aboriginal businesses, and communities being flooded with too many services and goods provided by non-Aboriginal suppliers. Through the responses provided, there is a sentiment of feeling 'blocked out' of opportunities because of being a smaller organisation, or Aboriginal enterprise.

"I'm not getting any traction. When tenders are going out, it describes what needs to be done to fulfil contracts, we can all apply and wait on final decision, but there is no transparency [or follow up]. i.e. inhouse have chat with local business/or local Aboriginal on what the needs are, how an Aboriginal contractor can provide a quality service." – *Enterprise respondent*

3.5 Employment

Questions in section 4 were designed to help understand business size (employment size and annual turnover size), and business growth trends for employees.

We first asked respondents to indicate how many full time Aboriginal and non-Aboriginal employees, part-time/casual/seasonal Aboriginal employees, and part-time/casual/seasonal non-Aboriginal employees that the business had employed in the past six months. The time of six months was selected to allow for casual/seasonal staff changes to be included and create a reasonable allowance for turnover in small businesses, whereas a point in time collection (such as the census) does not account for these factors. In initial drafts of the survey staff positions (assessment of seniority in the business) as well as gender and hours worked were required. However, when piloting it was found that respondents would be likely to guess their responses, or not have access to the information. Due to data quality risks, this more granular data was excluded this survey.

Figure 15: Numbers of employees (past six months), by institution
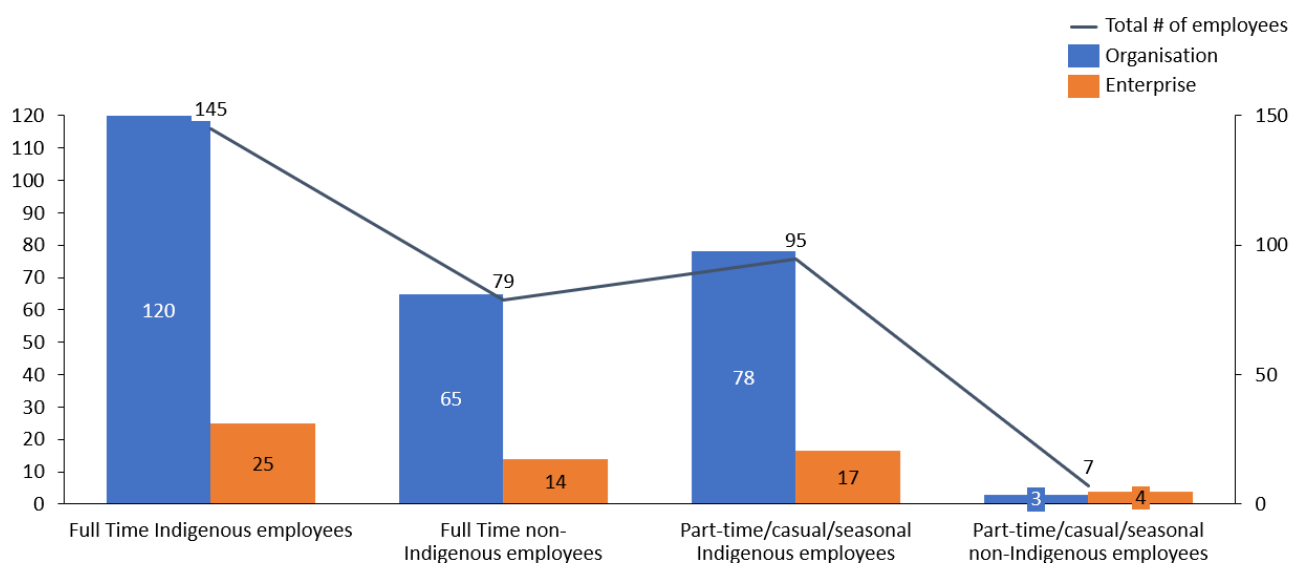
Based on 2016 Census counts, Taylor [2] estimates that there were 1,113 Aboriginal people employed at that time[4]. The survey recorded a total of 282 Aboriginal employees, albeit based on a different definition to that used in the Census (all employees over a six-month period). However, given that the survey captured only half of all Aboriginal organisations and enterprises that were in scope, it is possible that the number of Aboriginal people employed was much higher, maybe over 500. Even accounting for the different definition used, this would suggest that Aboriginal enterprises and organisations (especially organisations) account for a substantial share of all Aboriginal employment in the region and to that extent they are crucial to Aboriginal economic wellbeing.

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[4] Enumeration issues and undercounts have been flagged for the 2016 census. This figure has been adjusted for undercount. Based on Labour Force Status by LGA (Place of Work).

The accuracy of this data could be improved by ascertaining the length of employment, position in the business and income received and measured by 'in the past week' to gain more specificity in the data. Access to better quality and more granular data on Aboriginal businesses is needed to strengthen understanding of the impact of Aboriginal businesses on employment rates and trends.

When asked to specify whether over the next 12 months if they would be likely to take on more employees (and why) 37.5 stated that their employee numbers are likely to increase.
22.5 per cent predicted no change and 7.5 per cent indicated a potential decrease. However, 32.5 per cent indicated that they weren't sure. In the corresponding qualitative data, several factors are raised to provide additional context to the responses. For ease of analysis, responses have been grouped into two main themes: financial viability, and value and growth.

Financial viability:
- – Largely, the results for financial viability comes down to 'depends on funding'.
- – Standard/ongoing contracts are the key reason for workforce stability and employee retention.
- – Unstable or inconsistent funding streams greatly impact the decision made to recruit and retain employees.

Value and growth:
- – increased income (tendering for new contracts, moving in different business directions or increasing business footprint);
- – additional projects require the development of new business/operational plans;
- – changes and fluctuations in demand for service/products (particularly for organisations);
- – keeping employees busy enough to warrant a full-time position all year round (responding to peaks and troughs in workflow);
- – increase in productivity results in requiring more employees.

The survey explored deeper into value and growth with respondents in the next section.

3.6 Business Size (Value and Growth)

Questions in section 5 were aimed at exploring business size (employment size and annual turnover size), as well as estimating government investment awarded to Aboriginal enterprises, organisations and people. Responses to these questions will also help map the dollar value that Aboriginal businesses contribute to the overall Kimberley economy.

Questions 16 and 17 explored respondents' interactions with both commercial contracts from government agencies (namely contracts to complete works or deliver a product) and government funding received (such as grants to provide social and community services). If yes, respondents were asked to specify which level of government the contract was held with (and to identify the agency). If no, respondents were asked to specify whether they had bid but been unsuccessful, they didn't know how to find information to bid on contracts or write applications, or if this didn't apply to their business.

For commercial contacts, those that this question did not apply to were large organisations. This however does not infer that organisations do not hold interest in commercial contracts. In fact, 34 per cent of organisations have held commercial contracts in the past five years, ranging from contracts relating to housing and infrastructure, to contracts relating to health services.

Figure 16: Breakdown of bidding for commercial contracts with government agencies (past five years), by percentage
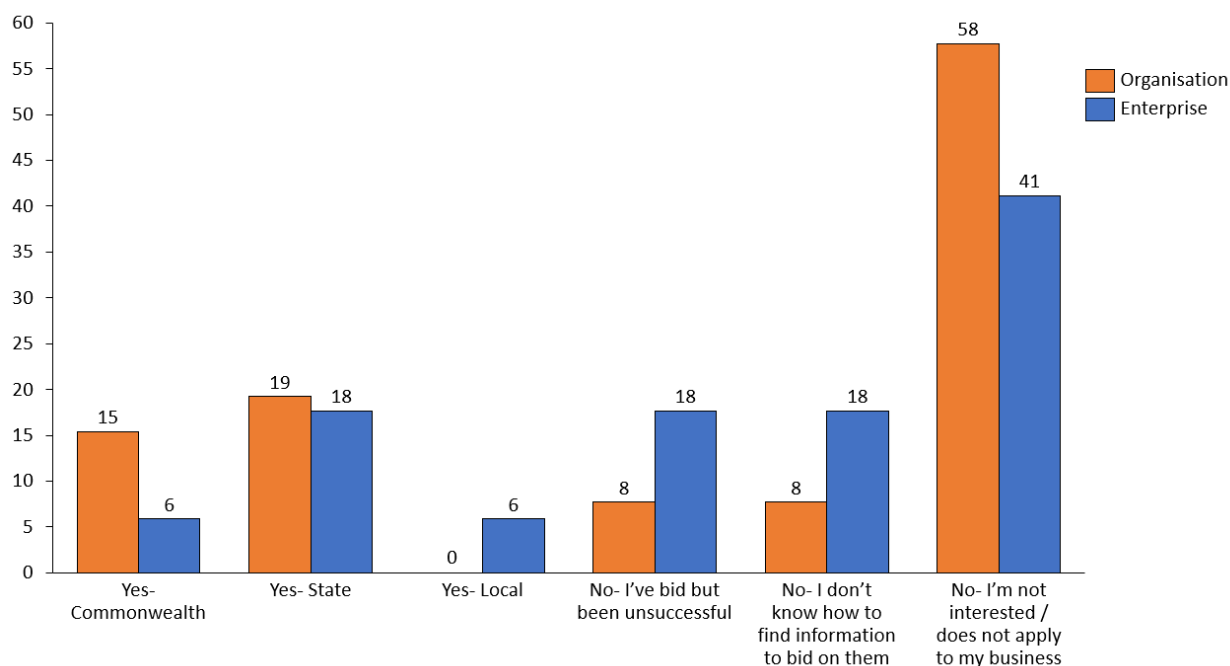

The most commercial contracts held were from state government agencies. Agencies listed as funders include Main Roads, Shire of Halls Creek, Water Corporation and WA Department of Communities (Housing). A high

proportion of enterprises (77 per cent) have had unsuccessful bids with government agencies, or have not bid at all. This is an important finding, as billions of government and private industry investment come into the Kimberley region for regional advancement activities, across various industries and development projects. If 18 per cent of Aboriginal enterprises don't know where to find information on how to bid for tenders or contracts, particularly when large scale policies are in place to direct funding towards Aboriginal enterprise, a system failure is identified. Furthermore, this begs the question around other large-scale income generation and growth opportunities available in the region, and the reliance on government agencies to sustain a business.

For government funding, commonwealth agencies were the majority of the contracts received, which is likely to be through the Indigenous Advancement Strategy (IAS) funding streams (delivered by NIAA, former PM&C and DSS), which both focus on the delivery of social services and community development projects. State agencies specifically mentioned by respondents included the Department of Communities, Department of Health, Department of Culture and Arts and WAPOL.

Figure 16: Breakdown of bids for government funding (past five years), by percentage
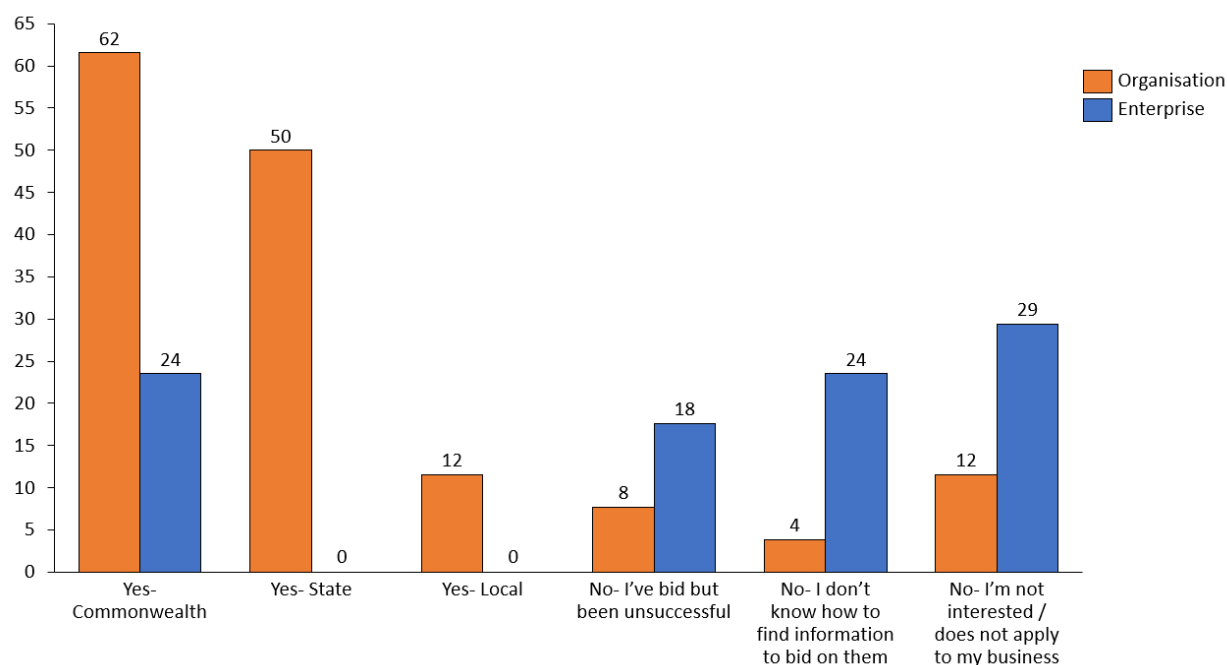
This question asked those businesses who responded 'yes' to questions 16 and 17 above, how likely it would be for their organisation to adapt and survive if they were to lose 50% or more of their government funding/contracts. Participants were asked to indicate whether this was 'likely', 'will stay about the same', 'unlikely' and 'not sure/don't know'.

This question is seeking to measure the business' strength and ability to adapt to changes outside the business's control. Removing the non-applicable responses to gain more specific insight, a majority (around 52 per cent) of respondents feel that they would be unlikely to adapt and survive if they were to lose 50 per cent or more of government funding/contracts. It was found that of the businesses that are unlikely to adapt or survive a

significant funding loss, the higher impact would be felt by organisations, rather than enterprise. This may be influenced by the fact that enterprises can access private capital as well as commercial contracts and grants, whereas organisations are almost entirely dependent on government funding.

Interestingly, fledgling enterprises feel they are likely to survive, which could reflect on the adaptability and responsiveness that start-ups are required to have as they navigate new markets and overheads are comparatively lower than more mature businesses with employees and infrastructure assets.

Figure 17: Breakdown of self-reported business robustness, by percentage of responses
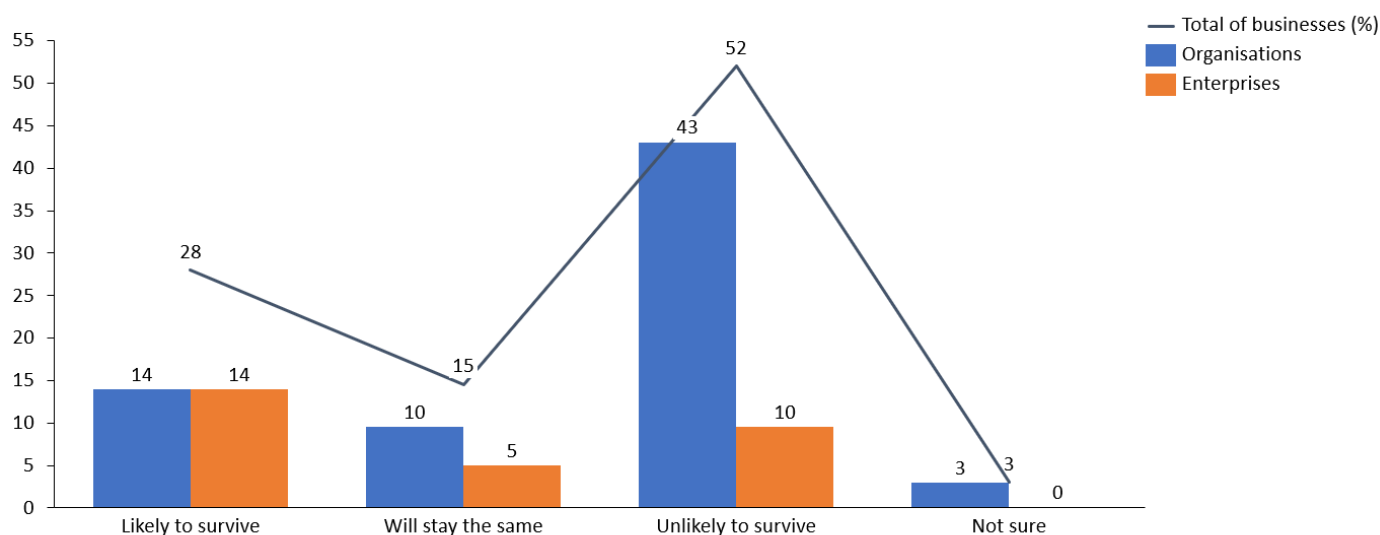
We then asked whether the respondent had heard of the Commonwealth government's Indigenous Procurement Policy (IPP). The IPP is the commonwealth government's initiative that aims to direct procurement spend to Aboriginal businesses to grow Aboriginal economic development and grow the Aboriginal business sector. Since the commencement of the IPP in July 2015, 1,935 Aboriginal businesses across Australia had won 19,527 contacts valued in total at over $2.7 billion [7]. On 1 July 2019, a three per cent value target was introduced, beginning at one per cent and phased in over eight years [7].

This survey found that 36 per cent of total respondents had not heard of the IPP, 14 per cent of which are enterprises- the target sector of the IPP. Of the 63 per cent who have heard of the IPP, concerns were raised in the IPP's implementation in the Kimberley region. Respondents flagged questions around the IPP, which when triangulated with the high number of respondents who do not know about the IPP, supports the argument that more education and awareness of the impact (and potential benefits) of the IPP for the Kimberley is needed.

"We need updated/regular sessions for both Aboriginal and non-Aboriginal business to there is a clear understanding at all levels… to have a real fair playing field." – Enterprise respondent

"Is being Aboriginal business, good for the IPP? I am aware of the Aboriginal polices for remote areas. If IPP theoretically favour Aboriginal business, how does that policy enable us to succeed?" – Enterprise respondent

Accurate IPP data was sought to include in this report for comparative purposes. However, the data available (complete listings of all commonwealth contracts) cannot be filtered by location and does not have an Aboriginal flag on contract holders, rendering some 46,000 entries useless for this report. More specific data is also unavailable as contracts/purchases (including sub-contracts) with Aboriginal businesses valued at <$10,000 are uploaded manually by agencies, and collecting all remote contract data by state and area is a manual process by the department and is still underway. Without accurate data on the number and value of regional contracts awarded, it is impossible to denote the impact of the IPP in the East Kimberley.

The WA State Governments' Aboriginal Procurement Policy (2018) sets targets for the number of WA Government contracts awarded to registered Aboriginal businesses and seeks to develop entrepreneurship and business opportunities for the Aboriginal community [8]. Agencies are required to award 3 per cent of the number of government contracts to registered Aboriginal businesses by the end of June 2021. The targets apply to all contracts for goods, services, community services and works. Under the WA APP during the 2018-19 financial year, a total of 179 contracts were awarded to 92 Aboriginal businesses with a total value above $167 million [8]. Of these, 38 were funded to the Kimberley across 21 businesses, and 44% of those contracts were to East Kimberley businesses (n=17) [8]. For the East Kimberley, this means that contracts are coming into the region under the State's APP. What is not clear, is the *dollar figure value* of these contracts, and what impact these contracts have on other indicators such as employment.

The final question in this section asked for an approximate total income of businesses for the 2018-2019 financial year. 'Income' was defined as how much money the business earned from grants, business activities and other sources, *before* subtracting costs such as wages or tax. Respondents were given the opportunity to choose between a variety of ranges or elect not to answer the question. An 'I prefer not to say' option was imperative to include in this section to elicit trust from the respondents and provide respondents with a sense of trust in the data collectors. When testing the survey with Aboriginal people, this question received the most feedback- "people won't answer that". It was included for two key reasons; one, to ascertain the size of the businesses (compared to IPP contract value once data is available), and to more accurately calculate economic contribution as a dollar figure. As a voluntary question on the survey, over 92 per cent of respondents chose to answer this question.

Figure 18: Breakdown of approximate total income of businesses, by business type (2018-19 financial year)
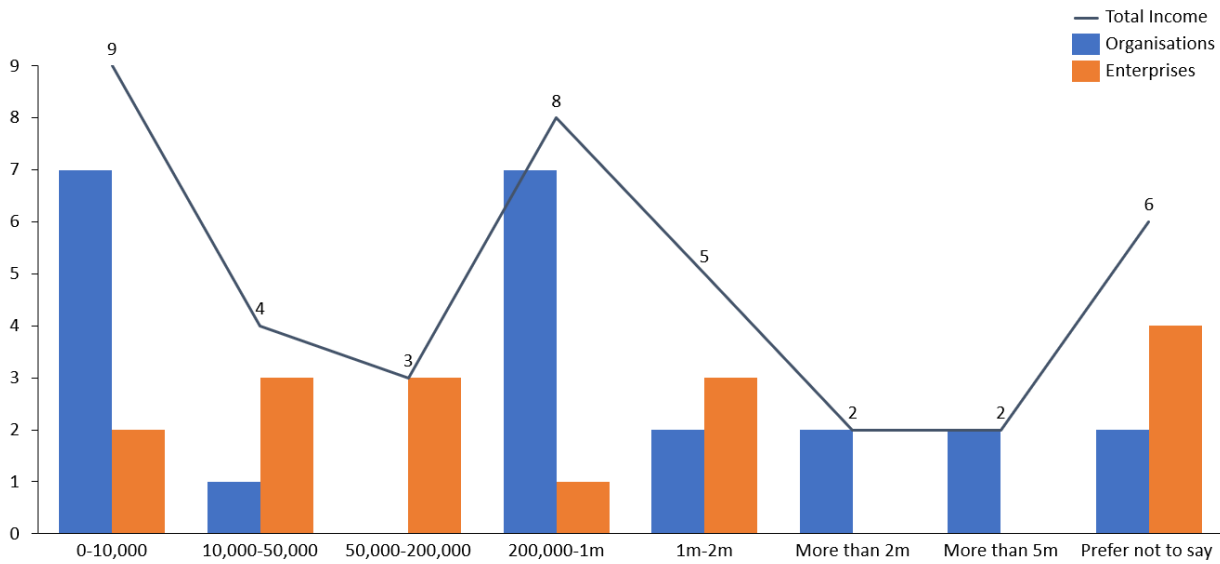
National data from Prime Minister and Cabinet also argues that "maturity brings roaring financial success" with data stating that revenue more than triples after 6 years after start-up [9]. This is not congruent with findings from the East Kimberley survey; while mature businesses have a higher income, the income distribution does not reflect the notion that maturity brings 'roaring success'. This means that for businesses in the East Kimberley- both organisations and enterprises, income is growth is linked to other variables, which could be reliance on government funding, or lack of opportunity and skills to grow the business.

Figure 19: Breakdown of approximate total income of businesses (2018-19 financial year), by length of operation
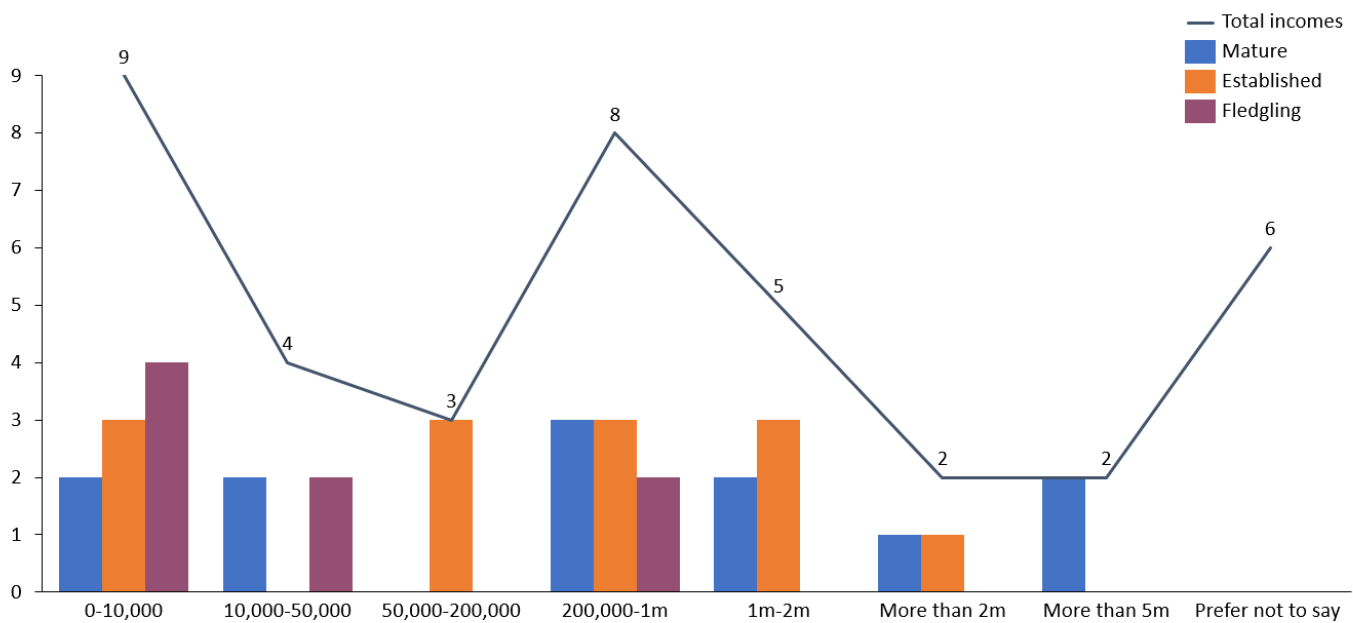
3.7 Final Comments

The final section of the survey asked respondents to add any additional comments they had about Aboriginal businesses in the East Kimberley. Over 79 free text responses have been thematically grouped, with key comments selected for inclusion below:

Walking into the unknown

- "How do I get these contracts or at least be invited to work in partnership with another [similar] company?"
- "First nations business [and] first-generation businesses need all the help available. Since I started its been a hit and miss learning curve. Many Rivers helped but [they are] based in Kununurra. Morrgul helped but [they are] in Broome. No family member can guide or inform where to build or cut etc. because they don't know themselves."
- "It's difficult to start a business because people have unrealistic expectations. There needs to be a positive line of funding to support businesses. There also needs to be more commerciality from funders (e.g. faster decision making)."
- "There is a mentality in the region that 'If I do anything for you, you have to pay me' (which is not helpful or conducive to building successful businesses)."
- "We need to be shown the path - who do we go to start a business? We need to be shown how to do business plans, where to do training. There needs to be a central place to go to or someone more like RMP Project Management who will come out and sit with us every week to go through things."

Culture Vs Business?

- "Aboriginal languages are NOT a business, but the organisation is being forced to think in this way to find sustainable income outside of the Commonwealth's limited operational funding"
- "Caring for country and bushfires is needed. Bushfire management is poor which makes running a business hard."
- "Aboriginal businesses in the East Kimberley have far greater challenges than businesses in bigger cities. Some are cultural. There is a lack of technical skillset that makes it quite challenging to compete, therefore there is a gap in training and development."
- "Our Arts centres should be given ongoing funding, what we don't want is to disempower our people to continue our elders vision."
- "We need to have good partnerships with external agencies/universities/arts centres to continue our work in art and cultural education movement. Partnership with Arts centres enables us to apply for one grant and complete a project together."

Supporting our own

- "There is no interaction and comradeship between organisations/businesses in Kununurra. No one seems to work together themselves and share the workload and funding."
- "People need to support Aboriginal organisations and Aboriginal organisations need to support each other. We also need to get local people to work, and understand goals and what people are trying to achieve."

3. Findings   44

People behind the business

- "Aboriginal businesses succeed when someone is driving them. There are a couple of people who drive success and development in the community. If you don't have that, there will be no success."
- "My business in the truth, its my bread and butter. Sometimes feedback is not directly given to the person. So, you continue without improving service."
- "If you better a person, you better the community. I want to play my part in changing morale."

Advice to the up-and-coming

- "Network with another Aboriginal business in same/similar industry, don't reinvent the wheel. Learn from others, see what skills you can learn (operational and HSE) about business."
- "Business in general is overrated, for you to create entity you need to know its hard work, plan if its viable. [You need to have the] ability to receive constructive feedback and rectify the issues."
- "Do your own research, hire lawyer/accountant from start, crunch the numbers and see if [it is] viable."
- "Learn you can't touch Business Money. Understanding about super, tax and purchases, keep receipts. Live off a wage."
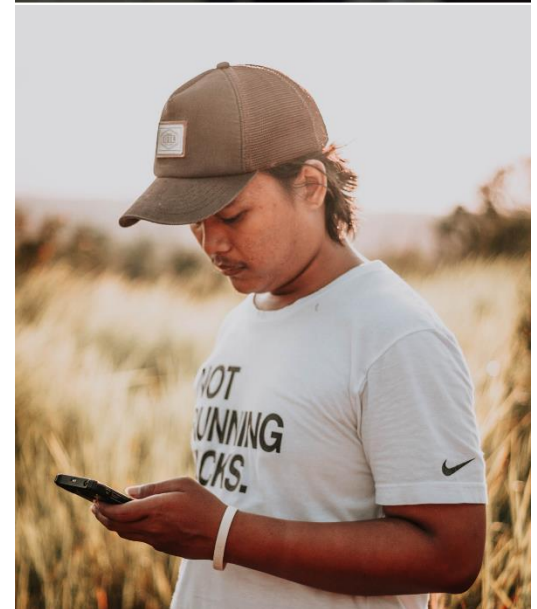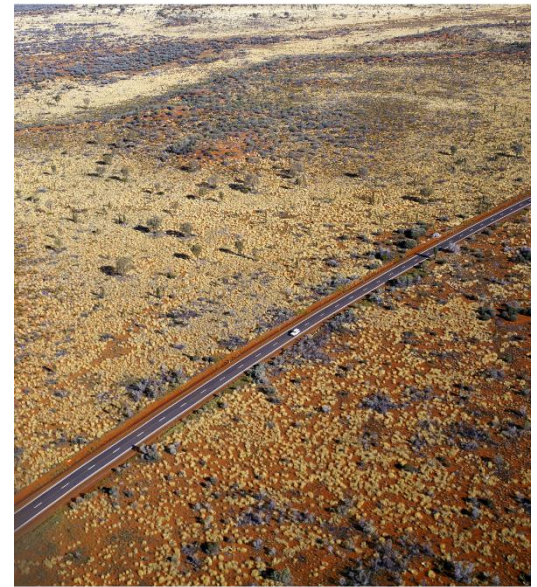
4. Estimating Aboriginal Business Contribution

This section examines the value of Aboriginal enterprises and organisations in the East Kimberley. It provides an estimate of the contribution of the Aboriginal businesses in the East Kimberley to the regional economy, and different ways in which contribution can be measured. It also acknowledges that Aboriginal businesses and businesspeople make highly valuable contributions to the social fabric of the East Kimberley.

4.1 Economic Contribution

Fiscal value

According to the Kimberley Development Commission [1], the GRP for the Kimberley is estimated at $2.8 billion (current prices), which represents 1.1% of the estimated Gross State Product ($259.6B) and 3.3% of Regional WA ($85B).

In 2016, Price Waterhouse Cooper estimated that in 2016 Indigenous self-employed individuals contribute a total of $309 million to Australia's GDP (in real 2016 terms) [9], and Indigenous enterprises contribute between $1.5 billion and $5.9 billion to Australia's GDP [9]. To estimate regional Aboriginal economic contribution, the methodology formulated by Price Waterhouse Cooper for calculating this could be used, however there are limitations on the data available to make this methodology useful. Further work is required to obtain the discrete necessary data for this methodology.

Aboriginal businesses are important for Aboriginal employment creation

At 2016, there were 790 (33.2%) Aboriginal people employed in the East Kimberley. To retain that employment rate in 2031, we need to create an extra 14 jobs per annum, or 210 jobs to 2031. To achieve parity with the all Australian 2016 rate (75.1%) we would need creation of 98 jobs per annum or 1,473 new jobs in total by 2031.

A focus on increasing employment in Aboriginal enterprises and organisations, should be part of any strategy to increase overall Aboriginal employment in the region.

Commonwealth Indigenous Procurement Policy (2015)

The Commonwealth's IPP revised target based on the *value of contracts* awarded was introduced from 1 July 2019, with aims to Aboriginal businesses win higher value contracts at a level closer to those of non-Aboriginal businesses. The target, which was set at 1.0 per cent in 2019-20, will increase by 0.25 per cent each year until it reaches 3.0 per cent in 2027 [7].

At the time of this report, the regional impact of the IPP is largely unknown. The lack of available data prevents us from understanding regional benefit and strength of the IPP for Aboriginal people and the economy of the East Kimberley.

WA Aboriginal Procurement Policy (2018)

Under the WA APP during the 2018-19 financial year, a total of 179 contracts were awarded to 92 Aboriginal businesses with a total value above $167 million [8]. Of these, 38 were funded to the Kimberley across 21 businesses, and 44% of those contracts were to East Kimberley businesses (n=17) [22]. For the East Kimberley, this means that contracts are coming into the region under the State's APP. What is not clear, is the *dollar figure value* of these contracts, and what impact these contracts have on other indicators such as employment.

4.2 Social Contribution

Aboriginal businesses embedded in family and social values and networks

The data collected for this survey provides further understanding of the dynamics of Aboriginal enterprises and the critical contributions that they make to community development. For Aboriginal organisations, social contribution *IS* their business- it is their purpose for operating and sustaining. For enterprises, this report has shown that they care as much about their social contribution as they do about their business profits and sustainability. The local Aboriginal *social capital* across originations and enterprises (including intergenerational wealth building, care for family and community, and wider leadership and mentoring roles) provides a basis to start-up and maintain the sustainability of Aboriginal businesses.

Social Return on Investment (SROI)

Studies conducted in other areas of Australia have found that businesses working directly in Aboriginal cultural industries have higher SROI ratios than businesses working in mainstream industries [10]. Moreover, smaller Aboriginal businesses have higher SROI ratios than larger businesses, and in one research project it was found that for every dollar of revenue that Aboriginal businesses create $4.41 of it returned in economic and social value [10].

SROI studies generally assess four areas of local economic benefit:

1. Wages and benefits paid to local residents
2. Profits earned by local owners
3. Purchases of local goods and services for resale and internal use
4. Contributions to local charities and not-for-profit organisations

More specific data for the Kimberley region is needed to be able to assess local SROI contributions.

4.3 Other measures of the quantitative value of the Aboriginal business sector

For Organisations: Office of the Registrar of Indigenous Corporations (ORIC)

One measure is the existing asset base and income of the largest Aboriginal corporations in Australia, which has been measured consistently by ORIC for over a decade. In the most recent report (2017), it was found that the 10-year average annual growth rate of total income slowed slightly but was still a steady 8.3 per cent [11] . Asset growth at 8.1 per cent and employment growth at 17 per cent were also reported in the 2017 report [11]. Specific industry insights such as these are important components to highlight what Aboriginal and Torres Strait Islander owned and controlled corporations can achieve, contribute and deliver to people, communities and economies.

For Enterprises: Certification

Certified suppliers create enormous social value to their stakeholders [12]. Registering for certification for Aboriginal businesses is arguably worthwhile, as it provides easier linkage for businesses to funders, and assists in data collection to measure Aboriginal business sector growth.

Certification registries such as Supply Nation are also linked to key government agencies and policy controls such as the IPP and may protect some businesses from 'black cladding' [13]. According to Supply Nation's website, there is over 2,000 Aboriginal business currently listed on their register, equating to 17% of the sector nationally. It is unclear in the data how many of these listings are in WA, let alone the East Kimberley.

Other, more localized registers exist in other regions, and make information available in the market about the existence and capability of Aboriginal businesses specific to that area, such as Queensland's 'Black Business Finder'. The Industry Capability Network claims that the 'Black Business Finder' network has helped local suppliers win more than $17 billion worth of contracts that might otherwise have gone to overseas [14].

Overall, certification and specific Aboriginal registers are an asset to Aboriginal businesses and for industry at large. By integrating Aboriginal businesses into the private sector and government supply chains, the registers can encourage the growth and development of these businesses.

Viability (Robustness)

This survey has found that at the forefront of concern is operational viability. Enterprises and organisations throughout the survey, and evidenced in quantitative findings as well as other key literature, are acutely anxious about contract (and income) longevity, financial security to provide job certainty to employees and business sustainability long term. This survey found that there are high rates of unsuccessful bids and grant applications from Aboriginal enterprises. Cross-referenced against the size of the businesses, our findings indicate that even successful Aboriginal businesses have been unsuccessful in tenders and grants. On top of this, only a minority received finance from commercial banking institutions. While specific causes for this have not been explored in this report, we can recommend that the approach used by lending institutions to evaluate the suitability of Aboriginal businesses needs to be re-evaluated and be based more on their current financial circumstances (rather than historical credit rating) and capacity to repay, the existence of critical supports (e.g. a mentor, support from business support services, participation in a network or business accelerator program, and/or business qualifications,) and potential for the loan to leverage business growth. We must take the wider socio-economic contexts in the East Kimberley when assessing for credit, and illuminate systemic race-based (or advantage-based) barriers to effect change.

Figure 20: Identified challenges to growth for Aboriginal enterprises in the East Kimberley[5]

　　　 Denotes critical action area.

Challenge	Business Stage			
	Start Up	Fledgling	Established	Mature
Demand	**Data:** Lack of accurate and readily available data on demand/supply and market trends			
	IPP: IPP has increased demand for Aboriginal businesses; State Gov demand also increasing. Varying degrees of awareness of implementation.			
	Opportunity: Capability of agencies and larger industry leaders to accommodate smaller Aboriginal businesses in supply chain and industry contracts			
Linking Supply and Demand			**Growth:** Ability to quickly scale up business to meet demand, including access to required funding to increase workforce	
		Awareness: Identification of available tenders and funding, knowledge of how to apply and compete, and adequate feedback for unsuccessful bids		
	Exposure: Exposure to new markets and business growth opportunities, ability to grow business reputation.			
Supply	**Soft skills:** Mixed understanding of business mechanisms and requirements, limited experience in business operations and small pool of mentors. Limited training in business management.			
	Supports: Limited access and take up of start up supports, mostly reliant on personal savings and advice from family		**Supports:** Lack of industry specific support and networks to assist with value growth and successful tendering	
	Personal capability: Persistence; largely for immediate personal gain		**Leadership:** Tenacity; largely focused on intergenerational benefit	
Inputs	**Capital:** Many businesses face hardship in finding, and receiving required capital to start. Low socio-economic indicators across the region		**Continuity:** Ensuring consistent and diverse income streams to promote sustainability	
	Workforce: Retaining employees across peaks and troughs difficult		**Workforce:** Recruiting, training and retaining employees and keeping them motivated	
	Systemic racism: Systemic (implicit and explicit) race-based barriers, exclusion and lateral violence, impede growth and opportunity and			
Contexts	**High costs:** High costs of living, infrastructure, asset purchasing, transport and consumables as well as impacts of remoteness			

The above table highlights the identified challenges to growth for Aboriginal enterprises in the East Kimberley found in this survey and associated literature. There are substantive critical action areas highlighted that range from demand-based challenges, supply based challenges, and challenges that are preventing effective linkage between supply and demand.

While these are important areas to be scrutinized and addresses, it must be recognised that the challenges often run much deeper and are not necessarily a quick fix. Long term commitment and responsive policy reforms are needed to address these critical areas. Key recommendations are explored in the next section.

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[5] Table adapted from *Supply Nation* [12]

6. Recommendations

Regionally, this report has found that Aboriginal businesses and businesspeople contribute to our local communities. Their contribution goes far further than an economic benefit and a dollar figure. Employment opportunities, intergenerational wealth building, cultural revival, and restoring social norms are markedly social contributions that Aboriginal businesses also make the regional economy and social fabric of the East Kimberley.

To support the continued growth of the Aboriginal business sector in the East Kimberley, governments (Commonwealth, state and local), as well as the private sector and local industry players all have both enabling and facilitating roles to play. Collaboration on the ground as well as decisive tactics at a policy level are required to ensure enterprise emergence, continuity and sustainability for the benefit of the people behind enterprises and organisations, as well as the regional economy.

As outlined below, a range of recommendations are put forward to address the highlighted needs, aspirations and leverage that have been discovered in the survey conducted. With implementation, these recommendations can create the conditions for change to encourage our Aboriginal enterprises and organisations to emerge and prosper across the region.

6.1. Strengthen the economic profile of the local Aboriginal business sector in the East Kimberley

The local Aboriginal business sector in the East Kimberley would benefit from a strategic and methodical approach to raising commercial and economic profiles of individual businesses and the Aboriginal business sector as a whole, Including the role/contribution of ACCOs. Rather than be viewed as a discreet segment within the regional economy, Aboriginal enterprises and community-controlled organisations should be highlighted as a local strength, in terms of economic and social value. This can be improved by:

–   the solidarity of data and information across industry partners, governments and local businesspeople;
–   consistent messaging regarding Aboriginal businesses and business opportunities;
–   targeted support in terms of resourcing local awareness campaigns of Aboriginal enterprises and organisations;
–   promoting certification of commercial entities through national directories such as Supply Nation;
–   the revival of listings on a reliable (and regularly updated) local supplier database (such as reviving the [Aboriginal Business Directory WA](#) run by Industry Capability Network WA, or funding new initiatives such as Queensland's [Black Business Finder](#));
–   Specific targeting of Aboriginal enterprises through WA Government procurement reform, such as local content advisors.

6.2 Improve access to capital for Aboriginal start-ups in the East Kimberley

Access to capital was raised in this survey as a major barrier and challenge for people starting their business. Improving access to capital- including increasing awareness of options- is imperative to encouraging business activity in the region. This can be improved by:

–   Change approach used to evaluate Aboriginal business suitability to finance to be more flexible and based on current evidence, rather than historical credit rating;
–   Develop new strategies, policies and programs to improve Aboriginal business access to commercial bank finance;

- Leading by innovation. One possible approach to assist new Aboriginal enterprise formation could be to relaunch the NEIS program whereby Aboriginal unemployed could get advances on unemployment benefits to provide start-up capital for their business. If the business is successfully established any financial obligation of the new Aboriginal entrepreneurs related to future unemployment benefits would be erased. Secondly, another option could be a scheme modelled on the FEE-HELP (HECS) type scheme could be introduced to provide much-needed capital injection into the business in the first two to three years [15];
- Improving access and transparency of micro-finance options, and ensure continued support from micro-finance suppliers for the first 5 years of business to protect early business credit ratings and assist in securing regular/consistent income streams;
- Creation of an in-region capital access facility paid into By Commonwealth and State governments, philanthropists and Aboriginal capital.

6.3 Build the quality and quantity of Aboriginal enterprises in the East Kimberley through the establishment of Aboriginal operated accelerator programs, incubator hubs and continuous education programs

Evidence suggests that incubators can be very effective at accelerating the development of businesses [28]. Through leveraging operated accelerator programs, incubator hubs and continuous education programs, key skill sets and technical advice can assist Aboriginal businesses with procurement practices, competitive edge to approach, pitch and respond to large corporate and government buying organisations. These programs are separate from business support services that already operate in the Kimberley, as they are a peer-driven and time-specific intensive program, often involving classroom-based training, one-on-one mentoring and advisors that have explicit skill sets to start-ups.

In the East Kimberley, these programs should be:

- Locally and Aboriginal operated (or at a minimum have genuine 50/50 partnership arrangements);
- Tailored to the unique market and industry needs of the region;
- Have regular access to more remote areas, such as Halls Creek and Kalumburu;
- Blended delivery, but mostly face-to-face;
- Partly accessible in later years of high school to pave pathways for school leavers to seek entrepreneurial options;
- Have the support of Commonwealth, State and Local government to increase investment and opportunity for respondents.

6.4 Assist established Aboriginal enterprises and organisations in the East Kimberley to capitalise on larger opportunities with government and the private sector

As found in this survey, established and mature businesses aspire to increase their market share, revenue and workforce. However, we have heard that they struggle to compete with larger businesses, particularly those operated by non-Aboriginal people or out-of-region businesses.

Long term sustainability demands business growth and viability. There is an urgent need to assist established Aboriginal businesses in the East Kimberley to capitalize on larger opportunities with government and the private sector. This can be improved by:

- Clearer guidelines on where to find information on tender and grant availability (such as AusTender and Community Grants Hub);
- Government agencies to provide personalized and more in-depth feedback on unsuccessful bids and grant applications, and how to strengthen these in future;
- Stronger advocacy and legal advice to support genuine partnerships and avoid 'black cladding' and unclear partnership agreements;

- Stronger engagement between Aboriginal businesspeople, organisational leaders, mainstream local industry leaders and key agencies such as the Kimberley Development Commission and East Kimberley Chamber of Commerce;
- Adoption of clear and consistent partnership principles across industry partners (such as the East Kimberley Partnership Principles [16];
- WA State Aboriginal Procurement Policy has been successful at driving procurement from aboriginal businesses. Currently set at a percentage target by number, it now needs to move to 3% by value.

6.5 Meet procurement targets set by Commonwealth and State Governments at a regional level in the East Kimberley

Both the Commonwealth's Indigenous Procurement Policy and the WA State Aboriginal Procurement Policy set targets at 3 percent (value and number respectively).

Setting targets to which individuals, organisations and agencies are held accountable is critical if performance is to improve and for holding both government and the private sector accountable. These targets at commonwealth and state levels can be an effective way to increasing demand for Aboriginal suppliers. However, the number and value of the contracts awarded under the 3 percent target is meaningless at the regional level without accurate, local data. In the East Kimberley region it is imperative to understand the progress against the targets locally, and if the proportional value of the 3 percent target is being met. Currently, it is not known what impact they are having at the regional or sub-regional levels. As these policies continue to be refined and updated, they should incorporate targets for specific regions such as the East Kimberley to ensure that local businesses and Aboriginal people are benefiting.

6.6 Improve data collection, measurement and access relating to the Aboriginal business sector
The East Kimberley economy- workers, planners and policymakers alike- would benefit from better quality data, and data access to inform decision making.

Across the country, data on Aboriginal businesses is a metaphorical 'black hole'. BBY started seeking data on Aboriginal contributions to the local economy over three years ago. Despite best intentions, many government agencies (both commonwealth and state) and private data owners just don't have the data. It is either not available at disaggregated levels, or not collected at all, hence the need for this survey to be undertaken.

This can be improved by several key activities, all of which would require strategic investment, concerted agreement-making between government agencies and funded services, and commitment for long term planning:

- Purchase and encourage the use of REMPLAN data tools across both LGA areas in the East Kimberley [the Shire of Wyndham-East Kimberley already use two of the REMPLAN profile packages], and include the available profiles of economy, community and investment to accurately map key trends and up to date data, that is publicly accessible to everyone- including Aboriginal business owners and start-ups;
- Improve data access and reporting from key data owners, such as microfinance providers and small business support services (Many Rivers, IBA, Morrgul and others), as well as larger business tracking organisations such as Supply Nation and NIAA. More strategic collection of data across these agencies will see not only improved access to the data but will provide levels of clarity where there is currently murky and inaccurate data stories and minimize the need to repeat survey activities;

- Investigate and request for ORIC to recast their (previously annual) 'Top 500 Aboriginal and Torres Strait Islander Corporations' reports [17] which contained key financial, geographic and workforce statistics in ACCOs;
- Improve national data quality to identify Aboriginal business owners. An Aboriginal and Torres Strait Islander imputation flag on Aboriginal business owners through the Australian Taxation Office or Australian Bureau of Statistics would immediately increase data quality and provide insight at aggregate levels for Aboriginal businesses, and provide richer data sets in terms of income, value and growth and economic contribution;
- Advocate for the inclusion of a census category of 'Aboriginal sector employment';
- Undertake a regional SROI study to measure the local social contribution of Aboriginal businesses across the East Kimberley.

These six recommendations are not new, or innovative. In fact, when reviewing the significant research undertaken over the past decade on Aboriginal businesses and entrepreneurship (such as those produced by NIAA, PwC, Supply Nation, PM&C, CAEPR and many more), these locally formed recommendations emerging from the *Aboriginal Business Survey* are firmly consistent for what has been concluded by academics, private and commercial industries and government-funded research papers.

It would, therefore, be imprudent for this report and its findings to go overlooked and unactioned, as it is likely that another round of surveys and research would find the same attributes, blockers and strengths that the East Kimberley businesspeople have spoken about throughout this report.

7. Next Steps

The information gathered from the survey will be used for the following purposes:

- assessing the current economic value of Aboriginal businesses in the East Kimberley region (and provide useful regional insight post-COVID-19);
- sharing the data with BBY member organisations, government agencies and service providers to facilitate targeted long-term funding being provided in the region;
- assisting business support services organisations to increase the economic market share of Aboriginal businesses in the East Kimberley;
- improving the way business development programs are designed and delivered in the East Kimberley region, and, together with business support service organisations, delivering programs which will directly address the key challenges identified by Aboriginal businesses;
- assisting business support service organisations to increase the ACCO sector's share of government contracts in the region; and

- tabling recommendations forward with relevant agencies to inject much-needed innovation and support into the Aboriginal business sector in the East Kimberley.

"BBY is the support on the ground that ACCOs need.

Having a voice at the local level has been inspiring- thank you all."
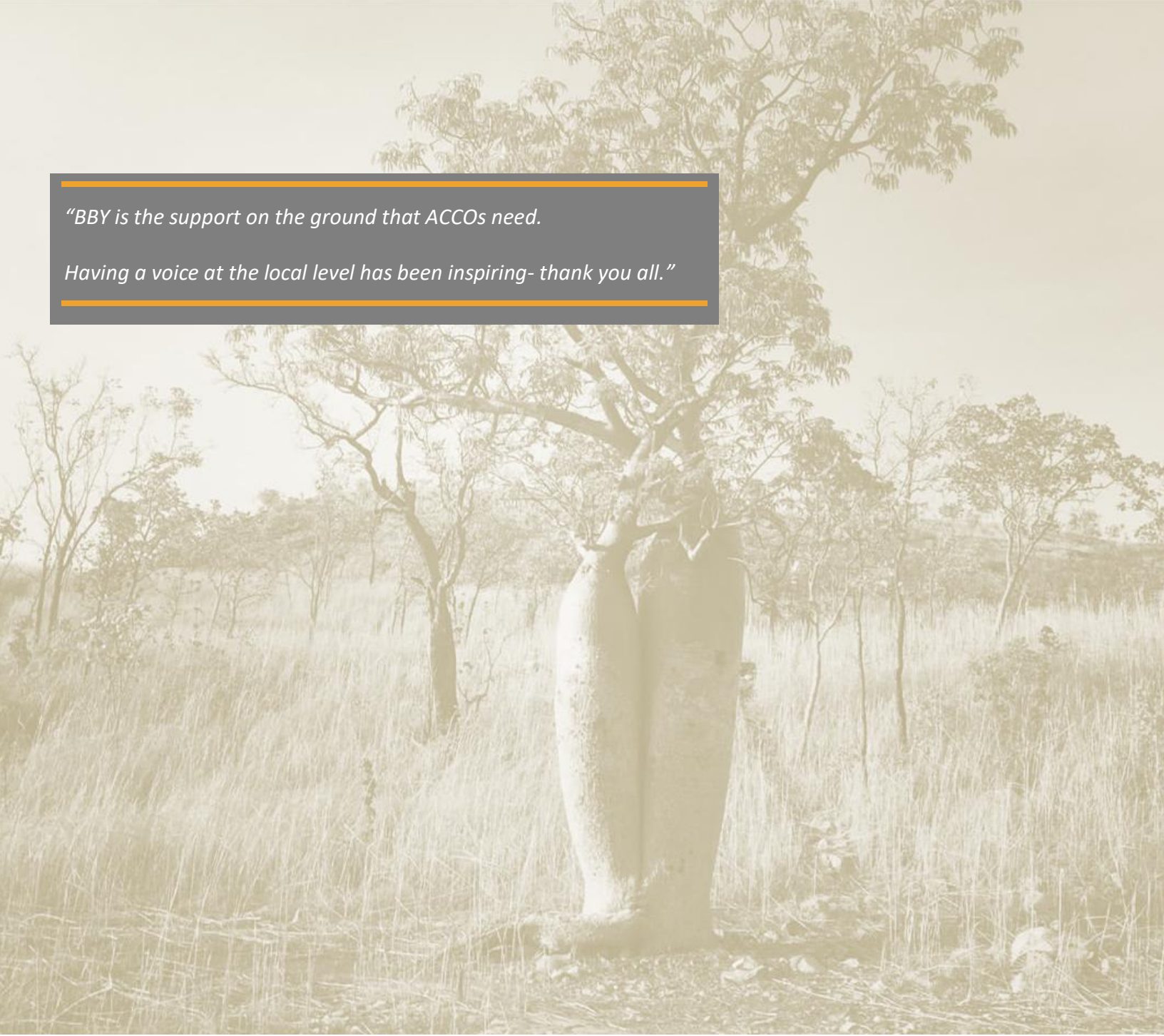
Appendices

1. Acronyms

ABS	Australian Bureau of Statistics
ACCO	Aboriginal Community Controlled Organisations
APP	Aboriginal Procurement Policy (State)
ASIC	Australian Securities and Investments Commission
BBY	Binarri-binyja yarrawoo Aboriginal Corporation (author)
DSS	Department of Social Services
ECEK	Empowered Communities East Kimberley
GDP	Gross Domestic Product
GRP	Gross Regional Product
IAS	Aboriginal Advancement Strategy (funding type)
IBA	Indigenous Businesses Australia
IPP	Aboriginal Procurement Policy (Commonwealth)
ORIC	Office of the Registrar of Aboriginal Corporations
NIAA	National Aboriginal Australians Agency
PM&C	Prime Minister and Cabinet
WAPOL	Western Australia Police Force

2. Glossary

Business	The total scope of institutions or representative data adopted by the survey and includes both: – "Enterprise" Aboriginal people who are self-employed (hold an ABN, identify as a sole-trader, run their own business but do not have any staff); –"Organisation" Aboriginal corporations that are registered under the Corporations (Aboriginal and Torres Strait Islander) Act 2006 (CATSI Act) (holding an ICN); *and* – any other business or organisation, either for-profit or not-for-profit, registered under the Corporations Act 2001 that is controlled by Aboriginal people or organisations (holding an ABN or ACN).
Data Collector	Authorized person to collect surveys and help people complete survey responses.
Enterprise	Commercial enterprises that operate in a marketplace (for-profit) either self-employed, small to medium enterprises or companies.
Organisation	Aboriginal Controlled Community Organisations that exist for community development activities and community representation (not-for-profit)
Respondents	Those individuals representing businesses and organisations who completed the survey
Sampling Error	Sampling error is the probability that any one sample is not completely representative of the population from which it has been drawn.
Survey Period	The period of time the survey was open for (14 February-27 March 2020)

3. Principles

Ethics

Aboriginal peoples have inherent rights, including the right to self-determination. The principles in these Guidelines for Ethical Research in Australian Aboriginal Studies [18] are founded on respect for these rights, including rights to full and fair participation in any processes, projects and activities that impact on them, and the right to control and maintain their culture and heritage.

BBY will promote the Guidelines and will advocate for their use in research undertaken in the East Kimberley with Aboriginal respondents.

Development of the survey was governed by the guidelines, which comprises 14 principles grouped under the following six categories:

- – Rights, respect and recognition
- – Negotiation, consultation, agreement and mutual understanding
- – Participation, collaboration and partnership
- – Benefits, outcomes and giving back
- – Managing research: use, storage and access
- – Reporting and compliance.

For more information on Ethical Guidelines in Research visit [AIATSIS website](#).

Aboriginal Data Sovereignty

BBY adheres to protocols in production of data and data products for Empowered Communities East Kimberley members that:

- – Prioritises data needs,
- – Protects data integrity (data quality and values),
- – Supports leadership in data decision making,
- – Is accountable for decisions on collection and use,
- – Recognises rights concerning research and data.

Underpinned by advocating for the rights of Aboriginal people having the right to say no to:

- – Participating in Aboriginal data collection (particularly those without ethical guidelines or clear terms of use of data).
- – Participating in data collection 'advisory' groups (particularly those without adequate data governance arrangements and terms of use).
- – To the sharing of locally collected data.
- – Being a 'researcher' in projects without adequate data governance.

This means that Binarri-binyja yarrawoo will:

- – Promote strengths-based data discussions,
- – Promote and support data driven decision making,

    – Research and provide data to support communities and leaders demonstrate Aboriginal led solutions.

Cultural competency

All data collectors involved in this survey undertook cultural competency training at *Mirima dawung woorlab-gerring*, Mirima Language and Cultural Center, Kununurra WA. Key drivers of this training for the purposes of the survey was provision and revision of regional context setting, such as the preference for face-to-face contact rather than interactions over the phone, as well as local cultural protocol and language use.

It is also worth acknowledging the diversity of groups in the East Kimberley, and that this training is specific to Miriwoong custom and knowledge, which is a limitation to the cultural competency of the survey.

While it is BBY's preference and long-term goal to employ local Aboriginal researchers for surveys in communities, it was not feasible for this project due to time restraints and funding availability. The variability of location of respondents and remote geographic distances (particularly in the wet season months occurring over the survey period) would have also made supporting community researchers difficult. BBY acknowledges that these are poor reasons to fall short in culturally competent ways of working with Aboriginal people and businesses and has recorded this as an area of improvement for all future survey projects.

Data Governance

BBY has certain policies and procedures in place to ensure that the data generated from this Survey will be collected, organised, managed, stored, secured and shared in an appropriate manner. These policies and procedures are captured by BBY's Data Management Plan.

As an overarching principle, BBY commits to having appropriate arrangements in place to maintain superior standards of data governance for the information that is collected as part of the survey. This remains of paramount importance throughout the lifecycle of the survey and beyond. In maintaining these standards, BBY endeavours to ensure that:
- the survey data will be handled responsibly;
- the survey data will be used for limited, agreed purposes; and
- the survey data integrity will be protected and valued.

Best Practice

BBY is committed to delivering best practice in data management. BBY acknowledges:
1) International standards in relation to data management and records management (e.g. AS ISO 15489 and AS/NZS 5478);
2) Guidance in respect of statistical data integration where data is combined from different survey sources to produce new datasets for statistical and research purposes.

4. Literature Review and Past Consultations

Growth of Aboriginal-led business and its importance to the Australian economy

In recent years, Aboriginal businesses have become a larger part of the broader Australian economy, as well as that of the East Kimberley as a standalone region [19]. Numbers of Aboriginal owner-managers across the nation have increased from 3,281 in 1991 to 11,592 in 2016 [5]. These increased numbers of Aboriginal businesses have had further flow-on effects, with an estimate that for every dollar of revenue created, $4.41 of economic and social value is created [10]. Further, research carried out by PwC has shown that in 2016, Aboriginal businesses contributed approximately 0.1%-0.4% of total GDP in Australia [9].

This growth can be partially attributed to Australian government initiatives such as the Indigenous Procurement Policy (Commonwealth), Aboriginal Procurement Policy (State), Supply Nation, and other programs supporting Aboriginal business' access to finance, connections and general sharing of business information [20].

Generally speaking, Aboriginal businesses reinvest into their community, employ more Aboriginal people and create a safe pace for family. The continued growth of the Aboriginal business sector has also helped to change the nation's general view on Aboriginal people from welfare-dependent, to empowered, independent and with a focus on the achievement of excellence [20]. Past consultation has also shown that Aboriginal people understand that economic independence can be created through business.

Why is more local data needed?

Quantifying the economic contribution of Aboriginal businesses, particularly at a local level, has historically been difficult, due to lack of availability of data, which inhibits the level of impact analysis that can be performed [21]. The literature on this point shows that more localised data on Aboriginal businesses are needed for the following reasons:

– whilst it is known that Aboriginal businesses operate in various sectors, the exact information regarding their economic involvement in particular regions and sectors is limited, as they are not specifically identified as 'Aboriginal businesses' in official statistical data collections such as the census. Agencies such as ORIC can identify Aboriginal businesses through registrations, however, there is no complete source of data available which can be analysed, monitored and evaluated;
– the experiences and outcomes of Aboriginal people in particular regions are considerably different from those of non-Aboriginal people [19]. Data sets that recognise and demonstrate this are essential to ensure that those responsible for making policies that impact Aboriginal people have a proper and comprehensive contextual overview;
– if data is not perceived to be relevant (a potential result of a failure to collect it), then it is less likely to be included in decision-making processes. Local data will help in the making of local decisions [22];

- looking at data across the nation, compared to data obtained at a local level, can assist in the creation and tracking of baseline targets, to ensure that a particular region is progressing in line with the national average (and if it is not, provide insight as to why); and
- to improve policy effectiveness, the impact of policies must be able to be tracked over time, so that appropriate adaptations can be made to ensure continued effectiveness. For example, research has historically found that Aboriginal businesses are more likely to hire Aboriginal staff, creating a multiplier effect within the economy for Aboriginal people. Increasingly, however, the evidence is suggesting that policy change is required to ensure that young Aboriginal people remain engaged in the economy [23].

Secondly, where primary data has been collected in the past, it is either difficult to obtain (through restrictive fee access or elusive data governance agreements) or commercial property and not for public use. This lack of data return to Aboriginal people is prohibitive to better understanding local contexts economic growth. The use of reliable, local secondary data sources when it comes to local Aboriginal people is preferred, as researchers will often hear 'I did this 12 months ago' from respondents. However, noting the lack of secondary data, this survey and primary data collection was necessary.

Finally, the data that is available points to an increasing number of new Aboriginal businesses, with the Department of Prime Minister and Cabinet estimating that by 2026, around 2,000 Aboriginal people will start their own business [7]. Further research into this contribution is important, as it will allow us to track trends in development and better evaluate the impacts past and current policies have made on the community [20]. In the East Kimberley, this analysis and information will help to direct future investment made into the region, and ultimately turn the vision of a thriving economy in the East Kimberley into a reality [24] [19].

5. Detailed Methodology

A detailed methodology is important to include as an appendix for two key reasons:
- transparency and reliably of data analysis
- repeatability of data analysis to test findings

5.1 Research Tool Design

The research tool (the survey questions) was formulated through research and assessment of previous Aboriginal business surveys both within Australia and internationally. Input was sought from BBY's member organisations, Rio Tinto and the Kimberley Development Commission. Questions were governed by BBY's data plan and AIATSIS's best practice guideline. Survey questions were also tested with Aboriginal businesses to ensure the flow was correct and that questions were not too invasive.

BBY also held discussions with the Australian Bureau of Statistics, the Department of Prime Minister and Cabinet (such as Policy, Economics branches), and NIAA to determine their needs in terms of information required from the survey.

As a pilot, the research tool was tested on a sample of members of the target population. This process allowed BBY to identify whether respondents understood the questions and instructions and whether the meaning of questions was the same for all respondents. Where closed questions were used, piloting highlighted whether sufficient response categories were available and whether any questions were systematically missed by respondents. The research tool was amended based on the pilot before the survey commenced.

Further feedback on the draft survey was sought from Aboriginal support organisations operating in the region, including Gelganyem, Aboriginal Businesses Australia, Kimberley Small Business Support, Morrgul, Many Rivers, Kimberley Jiyigas, Rio Tinto, Waringarri Radio and Shire of Wyndham-East Kimberley.

The results shown in this report are based on questionnaires conducted either in person, by telephone, or online, with senior members (primarily owners, managers and directors) of 42 Aboriginal businesses (as defined in section 2.1 'Target Cohort and Sample Size') across the East Kimberley, between 14 February 2020 and 27 March 2020 (Survey Period). The research was conducted by BBY, the backbone organisation for Empowered Communities East Kimberley, to be shared with organisations and governments at local, state and federal level.

5.2 Data Collection Approaches

Several approaches to data collection approaches were made available and the one most appropriate to the individual respondent was used. Responses to the standardized form surveys were recorded by data collectors in the following ways:

1. emailing respondents, a link to an online PDF to answer the survey questions, which were returned to the data collectors via email;
2. emailing respondents a link to an online e-survey, responses to which were recorded in an outsourced survey platform;
3. calling respondents and conducted the survey with them over the phone. Respondents dictated responses to the data collector over the phone, which were recorded by the data collector in writing; and
4. conducting structured or semi-structured interviews with respondents in person, where data collectors explained survey questions to respondents and worked with them to record answers on a hardcopy form.

All data collected by phone had consents read to respondents and verbal consent provided. Verbal consent was recorded and signed by the authorized data collector. All data collected by phone, in-person interview and through email was entered into the e-survey platform so that results could be consolidated, and a final data set generated.

Data researchers throughout this survey approached data collection rigorously and ethically. The following information was recorded throughout the Survey Period:
   − How, where, how many times, and by whom potential respondents were contacted;
   − How many people were approached and how many of those agreed to participate (including verbal consents where applicable);
   − How did those who agreed to participate differ from those who refused concerning characteristics of interest in the study;
   − How was the survey administered (e.g. telephone interview);
   − What was the response rate (i.e. the number of usable data sets as a proportion of the number of people approached?)

5.3 Research incentive

When testing the survey methodology, questions and approach with local Aboriginal people, incentives (or remuneration) was raised as a critical factor in increasing participation. It was heard that due to survey fatigue people would generally hesitate to participate without a direct benefit. As a local Aboriginal corporation and not-for-profit, BBY does not have sufficient financial resources to remunerate survey respondents.

As such, BBY sought assistance from local agencies to create a prize pack to be drawn by raffle as an incentive. A prize pack valued at over $1,000 was created by donations from Kimberley Community Legal Service, Kimberley Small Business Support, Kununurra Accounting Services and Waringarri Media. This incentive was well advertised in promoting the survey and anecdotally did have an impact on increasing the response rate.

5.4 Data Quality

The ideal candidates for BBY's survey sample population were initially Aboriginal enterprises (preferably sole traders/industry players) currently operating in the East Kimberley. However, the survey's definition of Aboriginal Business was broader than this and did not exclude Aboriginal Community Controlled Organisations (or those not primarily operating income-generating activities) due to the high proportion of ACCOs in operating in the East Kimberley.

Depending on the perspective from which one looks at the data captured, the inclusion of such a broad cross-section of organisations has the potential to misrepresent results, as the needs and requirements between these groups vary, particularly in areas such as employee count and income. Also, a large proportion of the businesses and corporations surveyed had been in operation for over ten years, meaning a survivorship bias may be present in the results. This has been mitigated for by grouping business by the length of trade (see Data Analysis for more details).

The accuracy of some results may be tainted, as some survey respondents flagged that they weren't entirely confident of their responses (demonstrated through selected of 'unsure' option). This is particularly the case when it came to survey questions that asked for historical information (for example, questions 5, 6, 7 and 8 asked respondents to reflect on things such as why they went into business, and what the hardest parts of setting up the business were). Efforts were made to moderate this after the survey was rolled out, by giving respondents a 'not applicable' response option. However, the small number of responses that were completed before this option was introduced, maybe tainted by inaccuracy.

Finally, it is possible that some respondents did not fully comprehend some questions, which may have led to inaccurate responses. For example, in the face to face interviews, some respondents initially indicated a belief that question 17 was asking about contracts entered into with government according to government grants or subcontracting arrangements, as opposed to contracts for services directly entered into between the government and the business. Whilst respondents that outwardly expressed to data collectors that they had not properly comprehended a question were corrected, not all surveys were completed alongside a data collector, meaning such misunderstandings may have gone uncorrected for some.

All of these factors led to gaps in some responses and the possibility of incorrect data being captured for some organizations. This risk is inherent in any survey however risk is minimised by survey testing.

As a final mitigation strategy, BBY plans to use economic indicators to obtain more robust estimates of the data and will aim to use this first survey as an initial indicator of Aboriginal engagement in the region's economy.

Impact of COVID-19 pandemic on data quality

On 11 March 2020, a global pandemic was declared by the World Health Organization [25]. On 30 March, early economic forecasting by McKinsey and Company [26], KPMG [27] and PwC [28] for small businesses was predicted to damage sectors and induce a prolonged downturn. This event needs to be factored in when considering the data quality of the survey, due to:

- – An increase in economic uncertainty,
- – A significant impact on the viability of employment,
- – Travel restrictions impacting business logistics, access and operations,
- – Ambiguity around business as usual operations, including procurement and tendering,
- – The widespread focus on Aboriginal communities and social changes.

These variables have been deemed to have not significantly influenced the data as the specific focus on the economic impact from the pandemic arose approximately seven days [20 March] before the closing of the survey [29]. Before the 20 March, 88 per cent of responses had already been received. In the total responses received, only one mention of COVID-19 was made in the final comments (question 21):

"We are in a very fragile situation (COVID-19), we need to stand together and lobby for aid in East Kimberley. We are in a national tragedy, be mindful in emergency situation, vigilant for our elders, vulnerable and our young so we can protect our language, arts and culture." – *Organisation respondent*

This survey will serve as a relative snapshot in time, closing just mere days before coronavirus significantly impacted on Aboriginal (and non-Aboriginal) businesses in the East Kimberley. As such, the findings, while reliable, may not reflect the post-COVID-19 business environment in the East Kimberley, particularly when assessing employment figures and challenges to businesses. It is assumed that a majority of the variables included in the survey will have changed in the East Kimberley by the time this report is published. BBY welcomes interested parties to contact us to discuss partnership or joint work on re-casting the survey post-COVID-19 to ensure accurate data trends (such as exits, attitudes, employment and income) can be measured, as well as maintain strong ethics and data return to Aboriginal respondents.

5.5 Data Analysis

All survey responses were entered into the e-survey platform. As a mixed-method approach was used in the survey questionnaire, analysis of quantitative (numeric) and qualitative (stories) was required. The main differences between quantitative and qualitative research consist in respect to data sample, data collection, data analysis, and last but not least regarding outcomes. The analysis contains detailed findings, based on cross-tabulation and cluster analysis of the survey data. More sophisticated analysis techniques such as regression and factor analysis require larger sample sizes (~200) to avoid computational difficulties, therefore have not been used in this report.

Quantitative Analysis

To analyse the quantitative data, three key methods were used:
- Statistical analysis (cross-tabulation and cluster analysis),
- Production of classifications based on the descriptive statistical analysis,
- Examination of causality and correlation.

Quantitative data throughout this report has been reported in tables, graphs and data visualization.

Tables included in the text of this report highlight selected relevant survey findings and are expressed in percentages. The base for each table is all respondents (n=42) unless otherwise noted. In reading these data, an asterisk (*) indicates less than one per cent; a double hyphen (--) indicates zero. Where matched responses have been received in the text instead of in provided response tick box, data has been combined for accuracy. Where outlier responses have been received data has remained untouched.

All figures have been rounded, so all tables may not add to 100%. This is due to weighting, rounding, the omission of "don't know," or "not applicable," and other responses, or, in the case of multiple response questions, percentages add to more than 100%. In high-level statistical analysis, generally, percentages will not be used with sample-sized under ~100 due to misrepresentation of percentage changes. However, due to the discrete sample size and geographic location/context, percentages have been used in this report.

Qualitative Analysis

To analyse the qualitative data, four key methods were used:
- Documentation of the data and the process of data collection,
- Organisation/categorisation of the data into concepts/themes,
- Connection of the data to show how one concept/theme may influence another,
- Testing theories, by evaluating alternative explanations and searching for negative cases.

Qualitative data throughout this report has been conveyed through direct quotations, word clouds, and descriptive text and summaries.

To assist with the analysis, the business demographics have been segmented into three groups:

- – 'Mature': Respondents who indicated their business has been operational for over 20 years
- – 'Established': Businesses who indicated business has been operational for between 6-19 years
- – 'Fledgling': Respondents who indicated their business has been operational for 5 years or less

These grouping and their terms are not a judgment on the performance of the business or indicative of business growth or market share, but will be used to provide clearer commonalities and trends between business cohorts.

Quantitative and qualitative data were also cross-referenced to provide deeper analysis into key themes and correlations, such as the linkage between a number of supports being accessed (quantitative) correlating to the feelings of success (qualitative). Data were also triangulated with other secondary data to confirm and strengthen the findings.

5.6 Data Return and Dissemination

Ownership of the data pertaining to the Aboriginal Business Survey will reside with BBY. Through its principles of data governance as outlined in BBY's Data Management Plan, BBY commits to data return. The results of the survey which are produced by BBY will be shared with BBY member organisations, partner organisations, key stakeholders, interagency groups, and all survey respondents.

The primary vehicle for distribution to BBY member organisations is via Local Management Committee meetings, where BBY will present the findings of the survey.

In respect of dissemination and reporting to respondents, BBY will share a report collating all findings of the survey with all respondents, as well as a one-page info-graphic. These will be provided to respondents via email or post-box delivery, whichever is most appropriate for the business type.

BBY will look to collaborate with government agencies, universities, industry partners and private corporations to best use the data contained in this report for three key aims:

- – To minimize duplicate surveys work, avoid cross-sector confusion, and minimize 'survey fatigue' experienced by Kimberley Aboriginal people and businesses;
- – To strengthen the reputation of Aboriginal data and data ownership;
- – Advocate for collaboration and involvement of Aboriginal organisations in decision making, as part of the Empowered Communities initiative.

If further information or raw (de-identified) data is required by a third party, requests can be submitted on the BBY website. Some restrictions will prevent 100% return rate of data, particularly data products that have identifiable data (such as statically unreliable granular or identifiable granular data sets), or data that is protected under data owner policy or legislation. In these cases, BBY will not share or reproduce data products, to adhere to privacy policies and relevant agreements with survey respondents.

A copy of the full survey report will also be made public via the BBY website.

6. Research Team (Confidentiality Agreement)

COPY

CONFIDENTIALITY AGREEMENT

Title of Research Project: East Kimberley Aboriginal Business Survey

Length of Project: 14 Feb 2020 – 27 March 2020

Project Manager: Samantha Betts, Data Manager, Binarri-binyja yarrawoo

As a member of this research team I understand that I may have access to confidential information about study sites and participants. By signing this statement, I am indicating my understanding of my responsibilities to maintain confidentiality and agree to the following:

- I understand that names and any other identifying information about study sites and participants are completely confidential.

- I agree not to divulge, publish, or otherwise make known to unauthorized persons or to the public any information obtained in the course of this research project that could identify the persons who participated in the study.

- I understand that all information about study sites or participants obtained or accessed by me in the course of my work is confidential. I agree not to divulge or otherwise make known to unauthorized persons any of this information, unless specifically authorized to do so by approved protocol or by Binarri-binyja yarrawoo.

- I understand that I am not to read information about study sites or participants, or any other confidential documents, nor ask questions of study participants for my own personal information but only to the extent and for the purpose of performing my assigned duties on this research project.

- I agree to notify the Project Manager immediately should I become aware of an actual breach of confidentiality or a situation which could potentially result in a breach, whether this be on my part or on the part of another person.

_____

Printed Name

_____   _____

Signature   Date

7. Survey Consent

Consent for Participation

Binarri-binyja yarrawoo ('the researcher') requests your consent for participation in a survey about Aboriginal Businesses in the East Kimberley. This consent form asks you to allow the researcher to record the interview and to use your comments to enhance understanding of businesses in the East Kimberley.

Participation in this study is completely voluntary. If you decide not to participate there will not be any negative consequences. Please be aware that if you decide to participate, you may stop participating at any time and you may decide not to answer any specific question.

The researcher will maintain the confidentiality of the research records or data, and all data will be managed according to the Binarri-binyja yarrawoo data management plan.

By submitting this form, you are indicating that you have read the description of the study, are over the age of 18, and that you agree to the terms as described.

If you have any questions or would like a copy of this consent agreement, please contact Binarri-binyja yarrawoo at email info@bby.org.au or call (08) 9168 2272.

Please circle:

1. I agree to participate in the research study. I understand the purpose and nature of this study and I am participating voluntarily. I understand that I can withdraw from the study at any time, without any penalty or consequences:

☐ Yes   ☐ No

2. I understand de-identified data generated from this survey will be used in Empowered Communities and Binarri-binyja yarrawoo publications:

☐ Yes   ☐ No

3. *For Argyle Diamond Mine/Gelganyem associated Traditional Owner businesses only:* I grant permission for the data generated from this interview/survey to be shared with Rio Tinto and Gelganyem, to contribute to the understanding of support required to assist eligible businesses to build capability. I understand that no other personal information will be communicated. I understand I have the right to contact Rio Tinto about the use of my information at any time.

☐ Yes   ☐ No   ☐ Not Applicable

Consent declaration

Full Name: _____

Position within organisation: _____

Signature: _____   Date: _____

Witness (Data Collector) Signature: _____   Date: _____

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