



# **YAWURU FUTURES:** ECONOMIC SUSTAINABILITY AND INVESTMENT

**POLICY PAPER**

APRIL 2018

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## 1. EXECUTIVE SUMMARY

This Policy Paper provides a policy framework for the strategic direction of Yawuru economic development and investment.

The policy framework is based on the implementation of the Yawuru Cultural Framework of *mabu buru*, *mabu liyan*, *mabu ngarrungunil* in investment and economic decisions. It is also based on the concept of Yawuru Capital, being made up of Yawuru's tangible economic assets and its intangible social, cultural and environmental assets. Details of the Yawuru Cultural Framework and Yawuru Capital will be captured in an annexure to this living document.

This holistic view of both the Yawuru Cultural Framework and Yawuru Capital is what makes the Yawuru Brand.

The objectives of Yawuru economic development are:

1. To ensure the Yawuru is financially sustainable for the long term; and
2. To change the economic environment of Broome to maximise Yawuru and other Aboriginal peoples' economic participation and benefits.

The principles upon which the direction of Yawuru economic development is based are:

1. The commitment to leverage Yawuru investment by entering into strategic partnerships;
2. The commitment to best-practice governance practices; and
3. The commitment to evidence-based and considered decision-making.

Strategy must be based on reasonable economic assumptions. The strategy for Yawuru economic development is based on the following economic assumptions:

1. The economy of Broome will continue to grow and Yawuru have a critical role to play in shaping this growth;
2. Australian governments are committed to the pursuit of developing northern Australia and will increasingly incorporate policies and legislative reform regarding Indigenous interest; and
3. The Asian economy will continue to grow and will have consequences and opportunities for the economy of northern Australia.

Based on consideration of the above and the rising demand for the economic production of certain industries as well as the capacity and capability of Yawuru to supply that demand, the Yawuru economic development strategy is:

1. To engage in Asian markets both in trading as well as in investment partnerships;
2. To lead Indigenous investment research and implementation in the north;
3. To lead and influence the development and future growth of Broome using measurements that encompass the values of the Yawuru Cultural Framework; and
4. To enter into the renegotiation of the Yawuru Native Title Global Agreement's Indigenous Land Use Agreements with a positive collaborative approach and leaving aside the old paradigm of contested zero-sum negotiations.

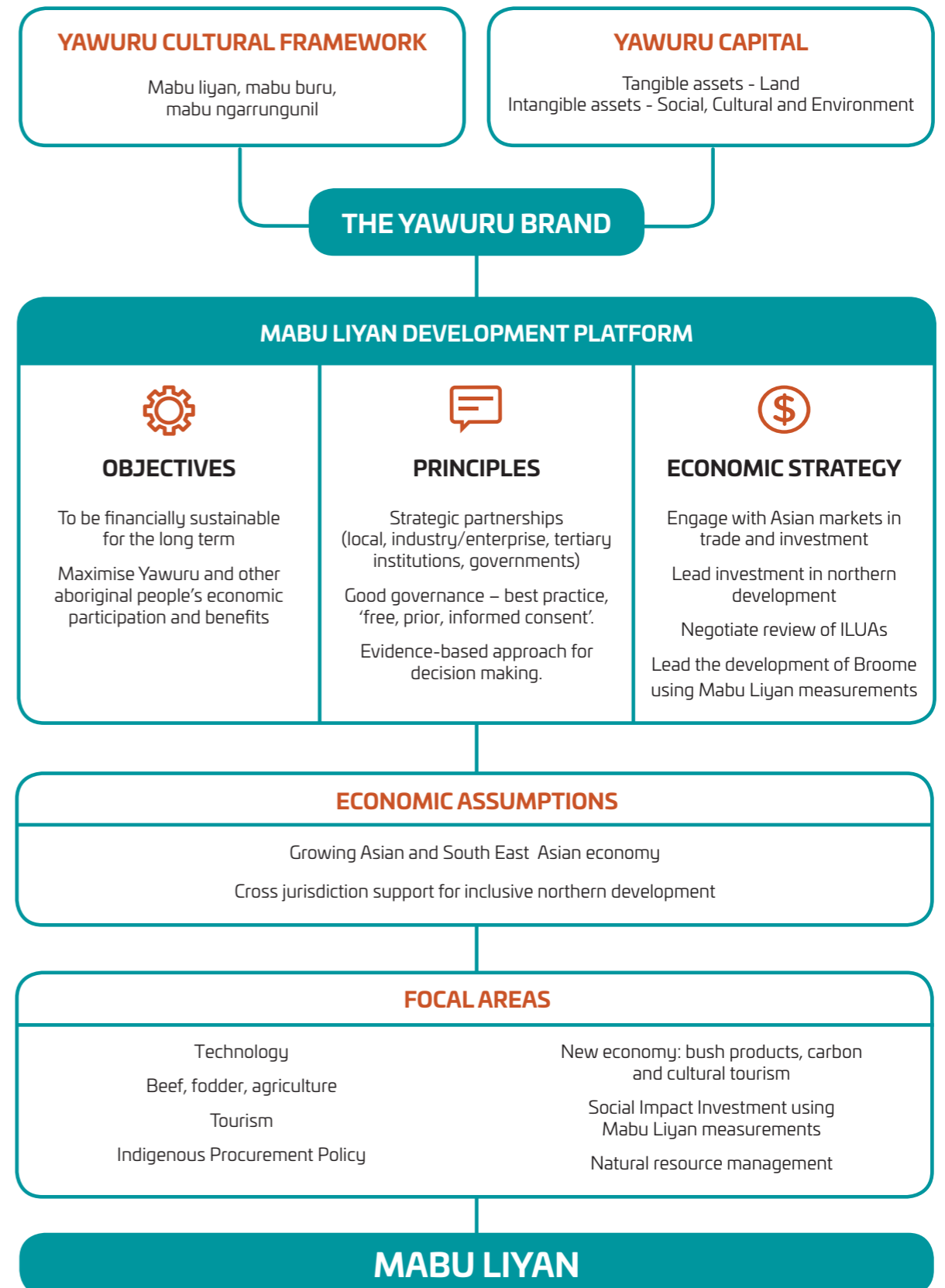
In implementing this strategy, Yawuru will focus on the following broad industry categories:

1. Tourism;
2. Agriculture;
3. Technology;
4. Natural Resources Management;
5. Indigenous Culture including cultural tourism and bush foods;
6. Education;
7. Logistics.

Yawuru recognises that to achieve their economic aims, it must participate in the larger discussion about the development of the north of Australia and the engagement of Aboriginal assets in that development. Yawuru will do this by advocating:

1. Comprehensive research and development of Indigenous products, accessible capital, and Indigenous business development
2. Aligning Commonwealth and State governments' divergent Indigenous investments and policies
3. Indigenous governance development
4. Indigenous land tenure reform
5. A north Australian Indigenous training and capacity building strategy
6. A fiscal reform package to support development on Indigenous land holdings
7. Better access to capital
8. Indigenous water reserve allocation
9. Indigenous participation in regional economic growth

## POLICY ROADMAP FOR YAWURU SUSTAINABLE FUTURE



## 2. INTRODUCTION

The purpose of this Policy Paper is to set out a roadmap for Yawuru strategic investment and ultimately, the ongoing economic sustainability of the Yawuru Corporate Group and the further participation of the Yawuru people in the social and financial rewards of a vibrant community.

The Yawuru roadmap laid out must be multi-dimensional to take into account the Yawuru Cultural Framework of *mabu buru, mabu liyan, and mabu ngarrungunil*, where the holistic development of good liyan is firmly embedded into Yawuru economic investment and development.

The Policy Paper thus outlines the Yawuru Cultural Framework as a definition of the Yawuru Brand and places the objectives, principles and strategies of Yawuru strategic investment on one platform. The Policy Paper places economic policy in the context of history and culture, and examines broader economic assumptions before addressing opportunities and strategy.

This Policy Paper has been prepared after two strategic discussions involving the Directors of all three Yawuru corporate boards – Yawuru Native Title Holders Aboriginal Corporation RNTBC, Nyamba Buru Yawuru Limited, Murra Mula Yawuru Pty Ltd – held at Notre Dame University in Broome on 27 March 2017 and on 14 December 2017. The discussions focused on the central question of how best to secure Yawuru’s long-term economic future in a rapidly changing economic and political environment in the local, national, and global contexts.

This Policy Paper proposes a broad direction for Yawuru to secure its future within these dynamics.

## 3. CONTEXT OF THE POLICY PAPER

### 3.1 The Historical Context

It is important to set the context of this Policy Paper into the history of the Yawuru Corporate Group, consisting of Yawuru Native Title Holders Aboriginal Corporation RNTBC (“PBC”), Nyamba Buru Yawuru Limited (“NBY”), and Murra Mula Yawuru Pty Ltd (“MMY”).

Key milestones are as follows:

- 1994 First Native Title claim lodged on behalf of the Yawuru people.
- 2001 Federal Court recognises native title over Kunin lawground.
- 2002 Mediation commences on the larger claim, process continuing until 2005 when the claim is brought back to the Federal Court for determination.
- 2006 Justice Merkel determines native title over the claim.
- 2008 Yawuru Native Title Holders Aboriginal Corporation RNTBC (“PBC”) is incorporated with the Office of the Registrar of Indigenous Corporations.
- 2008 Appeal by the State of Western Australia to the Full Court against the determination.
- 2009 After extensive community workshops on the desired Yawuru corporate structure, Murra Mula Yawuru Pty Ltd (“MMY”) (holding entity) and Nyamba Buru Yawuru Limited (“NBY”) (management and development company) were incorporated with the Australian Securities and Investment Commission.
- 2009 NBY is endorsed by the Australian Taxation Office as a Public Benevolent Institution and granted tax exemption status.
- 2010 After 16 years of legal and supporting work, mediation and litigation described by many as “bitter” and with a single-minded focus by Yawuru leaders, the Yawuru Agreements are reached, consisting of the two Indigenous Land Use Agreements (“ILUA’s”) being the Yawuru Area Agreement and the Yawuru Prescribed Body Corporate Agreement.
- 2010 NBY opens an office with 4 staff.
- 2010 Preparation and adoption of Group Strategic Plan 2010-2015.
- 2011 Publication of *“Planning For The Future: Yawuru Cultural Management Plan.”*
- 2011 Publication of The 2011 Yawuru *“Knowing Our Community” Survey* (KI, CAEPR 2011)..
- 2011 Commencement of community development programs.
- 2012 First opening of the Yawuru Language Centre.
- 2013 Reid Road NBY offices completed.
- 2013 Commencement of Birragun Buru (Palmer Road) estate Stage 1.
- 2013 Commencement of Yawuru social housing rental and housing shared equity scheme.
- 2015 Roebuck Plains Station ownership transferred from Indigenous Land Corporation to NBY.
- 2015 Adoption of Group Strategic Plan 2015-2020.
- 2016 Publication of *“Community Wellbeing From The Ground Up: A Yawuru Example”* Yap and Yu, 2016).
- 2017 Dedication of Yawuru Indigenous Protected Area
- 2017 Turning the soil on *Liyang-ngan Nyirrwa Cultural Healing Centre*.
- 2017 Signing of joint venture agreement with experienced building company H&M Tracey Construction to create joint venture company Indent Pty Ltd.

### 3.2 The Context of Self-Reliance

Whilst the Yawuru Native Title Global agreement contained elements shared by other Western Australian native title agreements it was underpinned by Yawuru's determination to be independent from government and to be financially self-reliant. This is not an aspirational goal but a commitment that Yawuru have embedded in their development philosophy, strategic and operational planning, corporate governance implementation, and day-to-day operations. This drive for a self-determined future was informed and determined by community meetings during the native title consultation and mediation period. Throughout these discussions the community pressed for independence from government and commercial compensation, rather than any form of grant-based compensation. As a consequence the Yawuru corporate structure was determined with the PBC holding native title rights and land and the separation of management and business operations to NBY.

The ILUA's agreed on a land and financial package. While there is some question on the commercial valuations of the land involved (which will be discussed later), the financial package was determined with a view to receive the compensation at the front end and allow Yawuru to construct its own future and own their own risk without ties to extended funding and grant conditions. The financial package was agreed to terminate at the end of June 2014, setting Yawuru a very small timeframe for critical decisions to make about sustainability.

In the first Group Strategic Plan (December 2010) the corporate Vision was established:

*The Yawuru community supports individual and family aspirations while being firmly rooted in the Bugarrigarra so that customary law and practice is a living part of family life and celebration.*

*The Yawuru community is an inclusive community that incorporates and enhances traditional Broome values of inclusiveness, hospitality and friendship. The Yawuru community believes that benefits flowing from the native title determination, while*

*allowing rewards for personal endeavour, should always flow to the benefit of the community as a whole. The Yawuru corporations invest to work for these aspirations and to create a Yawuru economy where families seek and have ongoing opportunities for employment and business.*

In this Vision, the strategic plan encapsulated the existence of a single Yawuru community, the importance of the Bugarrigarra, the context of the Yawuru in Broome, and the drive for the corporate group and the Yawuru people to be self-reliant.

The second Group Strategic Plan (December 2015) reinforced the commitment to self-reliance and the holistic nature of Yawuru values by determining six inter-linked strategies in support of both:

- *Develop and implement an investment strategy to sustain the organisation.*
- *Continue to develop appropriate and effective Corporate Governance for the Yawuru Corporate Group.*
- *Maximise Yawuru engagement and participation in land and sea management activities, to achieve holistic and sustainable management of Yawuru Country*
- *Represent and advocate for Yawuru interests through future acts and cultural heritage negotiations.*
- *Preserve and promote Yawuru culture through increased cultural activity and Yawuru community engagement.*
- *Undertake research and develop policy which enables new opportunities to be identified or confirmed.*



## 1 Yawuru Strategic goals

The commitment to be independent from government, to seek financial self-reliance and a self-determined future is one of the underlying pillars of this Policy Paper.

### 3.3 The Geographic Context

The Yawuru community number between 1,000 and 2,000 people, the majority of whom live in Broome.

The town of Broome is in the Kimberley Region of Western Australia in the north-west corner of the nation. Yawuru's stakeholders therefore include the Shire of Broome, neighbouring Indigenous groups and communities, and the State of Western Australia, as well as the Commonwealth of Australia. Broome is the most populous local government area of about 17,000 residents, accounting for about 2% of Western Australia's population<sup>1</sup>.

#### Value of Industry Activities in millions:

- Mining and Mineral Processing (12/13) \$1,908
- Retail Turnover (11/12) \$1,799
- Tourism (10-12) \$800
- Agriculture (11/12) \$616
- Building Construction \$525
- Timber (12/13) \$71
- Fishing & Aquaculture \$9

Urbis (2016) identifies the Gross Regional Product of Broome at \$1.06 billion, representing 34% of the Kimberley regional economy and 0.44% of the economy of the State of Western Australia<sup>2</sup>. As at March 2016, half of the region's labour force of 9,900 was located in Broome<sup>3</sup>. While 49.4% of the population aged 15 and over had obtained a certificate or higher level tertiary education<sup>4</sup>, participation in the labour market underutilises Aboriginal people. The Kimberley region has a diverse economy within Western Australia, led by mining and mineral processes (gross value of production \$1.9 billion in 2013), retail (gross value of production \$1.8 billion in 2012), tourism (gross value of production \$800 million in 2012), Agriculture (gross value of production \$616 million in 2012) and building construction (gross value of production \$525 million in 2013)<sup>5</sup>.

The Kimberley has nearly 40,000 residents, and this, along with the population of Broome suggests that to plan for a sustainable economic future, Yawuru will have to look to also trade and invest outside of the region where the population base, and demand for services, is greater.

In various development and economic research, the close proximity of South East Asian markets to Broome, the Kimberley Region and Northern Australia is cited which is in contrast to the communications and infrastructure remoteness of Broome and the Kimberley region to the rest of Australia.

Yawuru strategy will look at investment and industry in Broome and the Kimberley, but also be prepared to enter into trade and investment wider afield. This may include investments in industries

and trading economies that do not necessarily have an application in Broome but will do so in the rest of Australia and in Asia.

At the strategic discussion by the joint boards of the Yawuru companies on 27 March 2017, it was pointed out that Broome and the Yawuru have a close affinity to Southeast Asia due to the history of migration to Broome. While greater East Asia (China and India) were recognised, Southeast Asia is geographically at the door-step of Broome and it was agreed that any exploration of linkages will start there.

<sup>1</sup> Kimberley: A Region In Profile 2014 (Department of Regional Development)

<sup>2</sup> Broome Growth Plan – Strategy and Action Program, Draft October 2016 (Broome Growth Plan Partnership).

<sup>3</sup> Department of Employment 2016

<sup>4</sup> Australian Bureau of Statistics 2012

<sup>5</sup> Kimberley: A Region In Profile 2014 (Department of Regional Development)

## 4. THE YAWURU CULTURAL FRAMEWORK

### 4.1 The Yawuru Cultural Framework: Mabu Buru, Mabu Liyan, Mabu Ngarrungunil

Changing the narrative to a strength based development model is fundamental to Yawuru's development agenda. The two critical pillars that define the Yawuru development approach are (1) the emphasis placed on the relationship between the individual, family and community within a cultural framework called *mabu liyan* and (2) redefining capital as a basis of economic development on Yawuru and Aboriginal terms. This model is being developed further.

As described in "*Planning For The Future: Yawuru Cultural Management Plan*" (2011), *mabu buru*, *mabu liyan* and *mabu ngarrungunil* are the guiding principles of, and represent the aspirations of the Yawuru from time immemorial.

*Mabu buru* refers to strong country and *mabu ngarrungunil* refers to strong community. Together, the interconnectedness between country, its people and culture brings about *mabu liyan*<sup>6</sup>.

The concept of *liyan*, a term used extensively by Aboriginal people in the West Kimberley to describe the sense of emotional and spiritual wellbeing linking the individual to community, culture and the natural environment, is a universal Indigenous characteristic. *Liyan* describes the interconnectedness between the self, the wider community and the land. For Yawuru people, *mabu (good) liyan* is at the heart of what it is to have and to know a good life.

*Mabu liyan* was once at the centre of Yawuru society and culture. It informed Yawuru people's obligations to family, community and country. The impact of colonisation has been traumatic for Indigenous people. It has contributed to a loss of connectedness through the destruction of culture and respect. This has resulted in harmful behaviours and dysfunctional relationships, substance abuse, family violence, and ultimately the loss of hope and the loss of the will to live.

Yawuru's commitment to rebuilding the cultural and social foundations of the Yawuru community following the native title agreement through language and cultural regeneration, managing their natural environment and a range of community development initiatives is described as generating *mabu liyan* for Yawuru people.

Yawuru view this investment in *liyan* in economic terms because the evidence is clear that individual resilience is strengthened through connecting to cultural community identity and with that comes a greater propensity for individuals to participate in the economy through employment and enterprise. Over the last few years the growth of employment of Yawuru people in Broome and the number of Yawuru families buying their first home has been impressive.

This will be a live document and unpacking the Yawuru Cultural Framework of *Mabu Buru*, *Mabu Liyan* and *Mabu Ngarrungunil* to demonstrate the practical application and interconnection between the Cultural Framework, Yawuru Capital and Yawuru economic development agenda is critical to this policy position which will be captured in an annexure to this living document.

<sup>6</sup> *Planning For The Future: Yawuru Cultural Management Plan 2011*

Yawuru are working in partnership with the Australian National University and other experts to develop and investigate strategies on two fronts to demonstrate the positive economic and social outcomes from the *Mabu Buru*, *Mabu Liyan* and *Mabu Ngarrungunil* cultural framework approach to social and economic investment.

- I. The development of a rigorous social return on investment measurement framework as outlined in para 7.2
- II. Investigating an environmental framework – combining traditional knowledge and GIS technology to create an information system to assess strategic opportunities as well as enhancing management of social, environment and cultural capital.

This body of work will inform and enhance the Yawuru Brand and Economic Development philosophy and ultimately contribute to a sustainable Yawuru future.

### 4.2 Yawuru Capital

The other pillar of Yawuru's development approach is the holistic nature of Yawuru's economic view to its capital base. Yawuru sees its capital represented by both tangible and intangible assets. The intangible assets also represent opportunities arising from the potential of Yawuru people and the cultural authority they hold in the region. In terms of its tangible property assets NBY, Yawuru's management and development arm, owns approximately 3,000 hectares of freehold land in and around Broome, representing 80% of Broome's developable land, and also hold the 275,000 hectare pastoral lease of Roebuck Plains Station (RPS) which includes Roebuck Export Depot (RED), a cattle export facility.

RPS is viewed as a high value pastoral property and is strategically located close to the Broome Port which gives it the potential to play a pivotal role in the future integrated development of the Kimberley region's beef industry for both live cattle and boxed beef export.

While NBY is developing aspects of its other land holdings by developing residential estates, investigating commercial developments, and joint venturing agricultural assets, some other aspects of the land included in the ILUA's, may include "negative value" where the development cost of the parcels of land exceed developed market value, making current status development uneconomical. Yawuru believes this was caused by inaccurate valuations placed on those parcels during the negotiations of the Yawuru Global Agreements. Yawuru have a collaborative strategy for the renegotiation of the Yawuru ILUA's outlined later in this Policy Paper.

The real opportunity to activate Yawuru's tangible capital to generate sustainable and long term income and substantial employment outcomes for Aboriginal people comes from the application of Yawuru's intangible assets. That other dimension of Yawuru Capital comprises its social and cultural strengths and Yawuru's natural environment. Since the signing of the Yawuru Global Agreements, Yawuru leadership have shaped the way local, regional, State and even national decisions have been influenced, more recently

engaging in development groups such as the Broome Growth Partnership and the Indigenous Reference Group advising the Ministerial Council for Northern Australia.

The leadership shown by Yawuru, and its political acceptance, is a significant asset in Yawuru development. Through focus on the Yawuru Cultural Framework since the signing of the Yawuru Global Agreements, Yawuru have invested in societal rebuilding and reform through focus on language and culture as well as on housing and employment needs. Over the last 7 years, this has created a trajectory for Yawuru strength and unity, building a foundation for future economic growth.

The political capital which Yawuru also possess in terms of Aboriginal cultural authority in the region and nationally is a compelling feature of Yawuru's capacity to drive its transformational economic development agenda.

### 4.3 The Yawuru Brand and Development Philosophy

The combination of these two pillars – The Yawuru Cultural Framework and Yawuru Capital – and their application in the context of self-reliance becomes the definition of the Yawuru Brand.

The Yawuru Brand establishes Yawuru's post native title determination development approach and has the potential to transform the Broome regional economy and shape the potential for a more inclusive northern Australian development agenda.

The Yawuru Brand demands a paradigm change in the way post native title determination development is viewed. The Yawuru native title Federal Court determinations in 2006, and the 2010 negotiated ILUA's, should be seen in political as well as legal contexts. Yawuru see their native title recognition and the Global Agreement they negotiated with the State of Western Australia as a platform to rebuild the Yawuru nation after more than a century of exclusion.

However, Yawuru's nation building ambitions are not supported by the Native Title Act ("NTA") or Commonwealth and State Government policies. Within the native title system of recognition and protection, native title holders have serious constraints on their rights and powers.

The issue of extinguishment has been central to the State's policy towards native title. In the past, when the State has not been able to secure extinguishment through litigation it has sought to secure its extinguishment objectives through agreement under the ILUA provisions of the NTA in locations where the State has development priorities, using its legal powers of compulsory acquisition as leverage where it felt priorities demanded.

This has characterised ILUA negotiations as a contested approach.

Development proposals by industry and government have been pursued on the basis that where Indigenous rights will be impacted, formal negotiations should occur within a framework that is intended to secure agreement based on compensation for the native title holders, but not always on just (rather than equitable) terms.

In this approach native title holders are treated as the *recipients* of development with economic benefits for the native title party achieved through negotiated compensation claims. This approach locks native title holders into a defensive and subordinate state of mind and entrenches the traditional owners into an unjust economic position.

There are numerous examples in the Broome region and beyond which shows that this approach encourages conflict between Aboriginal communities and development interests as well as stoking the flames of division within Aboriginal groups.

Further, community division and dysfunction in negotiation leads to a perception by governments and investors that Aboriginal people are intrinsically anti-development or that the native title system, incorporating the right to negotiate, and agreement making processes, represents a barrier to economic development.

Yawuru argue that this political culture of extinguishment and compensation which treats Aboriginal people as subordinates in economic development must change. The better view is to see that Aboriginal people are open to just and equitable development proposals, and are eager to participate as true partners.

This general position is strongly supported by the Indigenous Reference Group ("IRG") which is advising the Ministerial Council for Northern Australia. The collective experience of Indigenous leadership across Northern Australia is focused on creating a new narrative with Indigenous assets (land, sea, water, culture and knowledge) at the heart of an economic reform agenda for the North.

At its December 2017 meeting in Darwin, the IRG endorsed nine principles for the Activation, Acceleration and Optimisation of Indigenous Assets in northern Australia.

These are:

that a valid Indigenous Development Agenda:

1. is culturally respectful;
2. adopts a magnetic policy<sup>7</sup> approach;
3. meets Australia's obligations agreed on United Nations protocols;
4. is research based and relies on empirically based decision making
5. adheres to the principle of non-extinguishment of Native Title
6. leverages unique Indigenous interests to facilitate regulatory and competition reforms;
7. places Indigenous interests at the heart of existing and emerging markets including rights in land, intellectual property, water resources and practices
8. is scalable and flexible to meet the needs of Indigenous business; and
9. takes advantage of the new paradigm of global technological disruption;

These principles are consistent with the Yawuru Brand and central to the Mabu Liyan development framework.

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<sup>7</sup> A policy whereby the kind of development attracts more and more people to the area to participate



## 5. OBJECTIVES OF THE YAWURU ECONOMIC AGENDA

### 5.1 Objectives

Yawuru is committed to leading a transformational economic agenda which has two entwined objectives:

- To ensure the Yawuru Corporate Group is financially sustainable for the long term, and
- To profoundly change the economic environment of Broome and the broader region so that Yawuru and other Aboriginal people's economic participation and benefit is guaranteed.

This Policy Paper describes an emerging epoch where the recognition of Indigenous legal rights is seen by investors and governments as a fundamental driver of inclusive and sustainable development.

In order to implement the Vision statement from the strategic plan, NBY must create a stable, sizeable and sustainable capital base from which to derive income that can implement the social, cultural nation-building strategies of the Yawuru into the future. In order to do this its investment, business and economic operations have to be chosen, within the Yawuru Cultural Framework, to take advantage of Yawuru Capital within the industrial and geographic opportunities that Yawuru have in Broome.

The Vision and Values in the strategic plan, and the principle built within the Yawuru development framework, recognise that rather than being merely recipients of benefits arising from investment, Aboriginal people need to also take responsibility for their own participation in the economy. The change that Yawuru seeks of the economic environment in Broome is that Yawuru and other Aboriginal peoples' economic opportunities and capabilities of participation in the economy is enhanced so that they are owing their own risk and engaged in reaping their own benefits.

### 5.2 Principles

Yawuru's economic agenda is underpinned by three critical principles:

1. Developing strategic partnerships;
2. Committing to best-practice governance; and
3. Committing to evidence-based decision-making.

Firstly, Yawuru are committed to developing strategic partnerships so as to leverage Yawuru Capital:

- At the local civic level concerning economic, social and environmental planning;
- With industry and enterprise through joint ventures and other collaborative arrangements;
- By advancing a research and development agenda with research institutes and tertiary education bodies; and
- By working with Commonwealth and State governments on public investment and policy reform.

Secondly, Yawuru are committed to the implementation of good governance. Yawuru's corporate structure and operations are widely seen as best practice native title governance.

The PBC incorporates Law Boss Directors and community elected Directors to determine the strategic cultural and social development of Yawuru. NBY with its appointed Yawuru majority Directors and independent commercially experienced Directors, holds the economic assets and quarantines commercial risk from the PBC, employs staff and implements Yawuru's economic development program designed to secure the Yawuru Corporate Group's long term income. MMY with its PBC-appointed Yawuru Directors oversees NBY and appoints its Directors thus further mitigating risk faced by the PBC.

Beyond corporate structure, the Yawuru corporations entered into an externally facilitated Governance Improvement Program starting in 2016 which took all the Directors through training and best practice by working around the framework of structure, processes and behaviors.

Fundamental to good governance is Yawuru's commitment to applying the principle of free, prior and informed consent in good faith on matters that effect the Yawuru People (as contained in Articles 18 and 19 of the *UN Declaration on the Rights of Indigenous Peoples*), supported by strong community consultation and communications processes.

Operationally Yawuru's governance framework is supported by NBY's high performance and adaptive organisational structure.

Thirdly, Yawuru is committed to an evidence-based approach to strategic decision-making which underlines the substance of Yawuru's capital base and enables the PBC and NBY Boards to make effective decisions based on sound information and data.

In order to do this, Yawuru have commissioned and published evidence gathering studies to gather accurate information about its population (*"Planning For The Future: Yawuru Cultural Management Plan,"* 2011 NBY; The 2011 Yawuru *"Knowing Our Community"* Survey, 2011 Kimberley Institute and Centre for Aboriginal Economic Policy Research; *"Community Wellbeing From the Ground Up: A Yawuru Example"*, 2016 Yap & Yu).

## 6. ECONOMIC ASSUMPTIONS

This Policy Paper accepts three overriding economic assumptions.

While the local, national and global economies are affected by economic and political circumstances that are rapidly and continuously changing, in order to propose a mid to long term policy on investment and economic development, some bedrock assumptions have to be made. These assumptions will, to a certain extent, determine the application of the Yawuru Cultural Framework and Yawuru Capital, which will in turn determine economic strategy.

The three overriding economic assumptions are:

1. The economy and industrialisation of Broome will continue to grow, and Yawuru's influence will merge the Yawuru Brand with a quadruple bottom line approach to Broome's development;
2. Australian governments are committed to pursue development of northern Australia, which will increasingly incorporate policies and legislative reform regarding Indigenous interest; and
3. The greater Asian economy will continue to grow in the medium to long term, and this will have consequences and opportunities for the development of northern Australia.

### 6.1 Broome

The Gross Regional Product ("GRP") of Broome has recorded an annual growth of between 1.7% to 5.2% between 2006/07 (\$850 million) and 2010/11 (\$1 billion)<sup>8</sup> and since then it was recorded at \$1.06 billion in 2013 representing a growth on trend of about 6% between 2010/11 and 2012/13<sup>9</sup>.

The Broome Growth Plan Partnership (comprising the Shire of Broome, the Kimberley Development Commission, Yawuru Native Title Holders Aboriginal Corporation RNTBC, LandCorp, the Department of Planning and the Department of Regional Development) has prepared (unpublished) a Broome Growth Plan consisting of three documents, being Broome Growth Plan – Strategy and Action Program, *Broome Growth Plan – Background and Context*, *Broome Growth Plan – Investment Attraction Strategy and Prospectus*.

The Broome Growth Plan aims to "Develop a sustainable and inclusive economy where all can participate and which is founded in a deep respect for Broome's community, culture and environment." Amongst four growth scenarios, the Growth Plan Partnership chose as the target for the Growth Plan, scenario 3 encompassing the activation of agricultural and tourism industries, which targets readily achievable growth in agriculture and tourism and envisioning a doubling of population and job growth. The Partnership also focuses the Growth Plan on achieving preparedness for scenario 4, where, with the addition of growth in other sectors such as oil and gas, achieving aspirational growth leading to a sustainable, stable population and enhanced social conditions including liveability and access to services.

<sup>8</sup> Broome Economic Profile, Shire of Broome 2012

<sup>9</sup> Broome Growth Plan – Strategy and Action Program, Draft October 2016 (Broome Growth Plan Partnership).

In summary, the implementation of the Growth Plan will see the economy of Broome achieve at least historical trend growth, and opportunities in agriculture, tourism, mining and oil and gas, business services and transport.

Table 3.1 GRP Contribution by Industry (2006/07 – 2010/11)

INDUSTRY	2006-07	% of GVA	2010-11	% of GVA
Agriculture, forestry and fishing	\$33.0	5.0%	\$56.9	5.8%
Mining	\$0.0	0.0%	\$0.0	0.0%
Manufacturing	\$24.6	3.8%	\$16.5	1.7%
Electricity, gas, water and waste services	\$21.9	3.4%	\$41.7	4.2%
Construction	\$101.2	15.5%	\$149.1	15.1%
Wholesale trade	\$21.0	3.2%	\$28.9	2.9%
Retail trade	\$38.2	5.8%	\$50.6	5.1%
Accommodation and food services	\$29.5	4.5%	\$37.0	3.8%
Transport, postal and warehousing	\$99.8	15.3%	\$164.9	16.7%
Information media and telecommunications	\$20.3	3.1%	\$33.1	3.4%
Financial and insurance services	\$17.0	2.6%	\$24.1	2.4%
Rental, hiring and real estate services	\$13.6	2.1%	\$21.2	2.1%
Professional, scientific and technical services	\$19.9	3.0%	\$29.6	3.0%
Administrative and support services	\$22.9	3.5%	\$28.4	2.9%
Public administration and safety	\$39.4	6.0%	\$66.3	6.7%
Education and training	\$27.4	4.2%	\$40.9	4.1%
Health care and social assistance	\$44.4	6.8%	\$67.2	6.8%
Arts and recreation services	\$4.0	0.6%	\$4.1	0.4%
Other services	\$13.6	2.1%	\$18.6	1.9%
Ownership of dwellings	\$62.4	9.5%	\$108.2	11.0%
Gross Sector Value Add	\$654.1	100%	\$987.3	100%
Taxes Less Subsidies	\$43.3		\$36.5	
Gross Regional Product	\$697.4		\$1,023.8	

Source: AECgroup

### 6.2 Northern Australia

In 2015 the Office of Northern Australia published the White Paper "Our North, Our Future: White Paper on Developing Northern Australia."

While the White Paper was criticised by key indigenous leaders for its failure to seriously include Indigenous interests, nevertheless it highlights the importance of northern Australia to governments.

Yawuru and other northern Indigenous representatives have consistently highlighted the Indigenous land owning and demographic reality of the north and have argued that if northern development is not inclusive of Indigenous rights and interests, the whole northern development agenda will not succeed.

There has since been a growing bipartisan recognition that the Indigenous position must be included in this development strategy and as a consequence a broad political engagement between Indigenous representatives and all relevant jurisdictions has commenced. The Indigenous Reference Group (“IRG”) advising the Ministerial Council for Northern Australia is playing a leading role in putting forward constructs that “Activates, Accelerates and Optimises” indigenous business opportunities combining reforms to land, sea and water rights with a program to develop branding, supply chains and investment capacity. The existence of the IRG is hopefully indicative of the evolving attitude of governments towards Indigenous involvement in northern development.

The Yawuru CEO chairs the IRG and the relevance for Yawuru in this policy dialogue is significant.

Yawuru like all other native title holders and traditional owners in northern Australia, face major structural impediments such as access to capital, land tenure limitations, limited governance and organisational capacity, debilitating cost factors and many others. The structural and policy reform required to activate Indigenous economic development and participation in northern Australia must involve both Commonwealth and State Governments working collaboratively with Indigenous interests as part of a concerted and comprehensive approach.

An Indigenous policy reform agenda that radically changes the narrative to embrace Indigenous land ownership and cultural heritage as an economic and social asset rather than viewing them in a deficit frame cannot be led by a single Aboriginal group or region within an isolated jurisdiction. The reform agenda is simply too big and will only be achieved if it is pursued through a national policy framework.

This is the reason that Yawuru must, within its own economic agenda, invest time and energy aimed at significantly influencing policy reform for northern Australia as the most effective means of changing policies and laws concerning Yawuru’s development objectives.

### 6.3 Asia

The last decade has seen unprecedented economic development and industrialisation across Asia.

Australia has been perfectly positioned to benefit from this growth due to its natural resources and proximity to the region. The fulfilment by Australia of Asian demand for commodities and food products has also created a link with the Asian market where in 2016/17, 75.2% of Australian exports of goods and services were exported to Asia<sup>10</sup>. Australian goods and exports exported to Southeast Asia, as defined by those countries who are members of ASEAN (Association of Southeast Asian Nations) was 11.3% of total Australian goods and services exported.

The values of goods and services exported to Asia and Southeast Asia in 2017 were \$280.5 billion and \$42.3 billion respectively.

The 5 year trend for growth in exports of goods and services from Australia to Asia and Southeast Asia were, respectively 2.3% and 3.5%.

<sup>10</sup> Department of Foreign Affairs and Trade <http://dfat.gov.au/trade/resources/trade-statistics/Pages/trade-time-series-data.aspx>

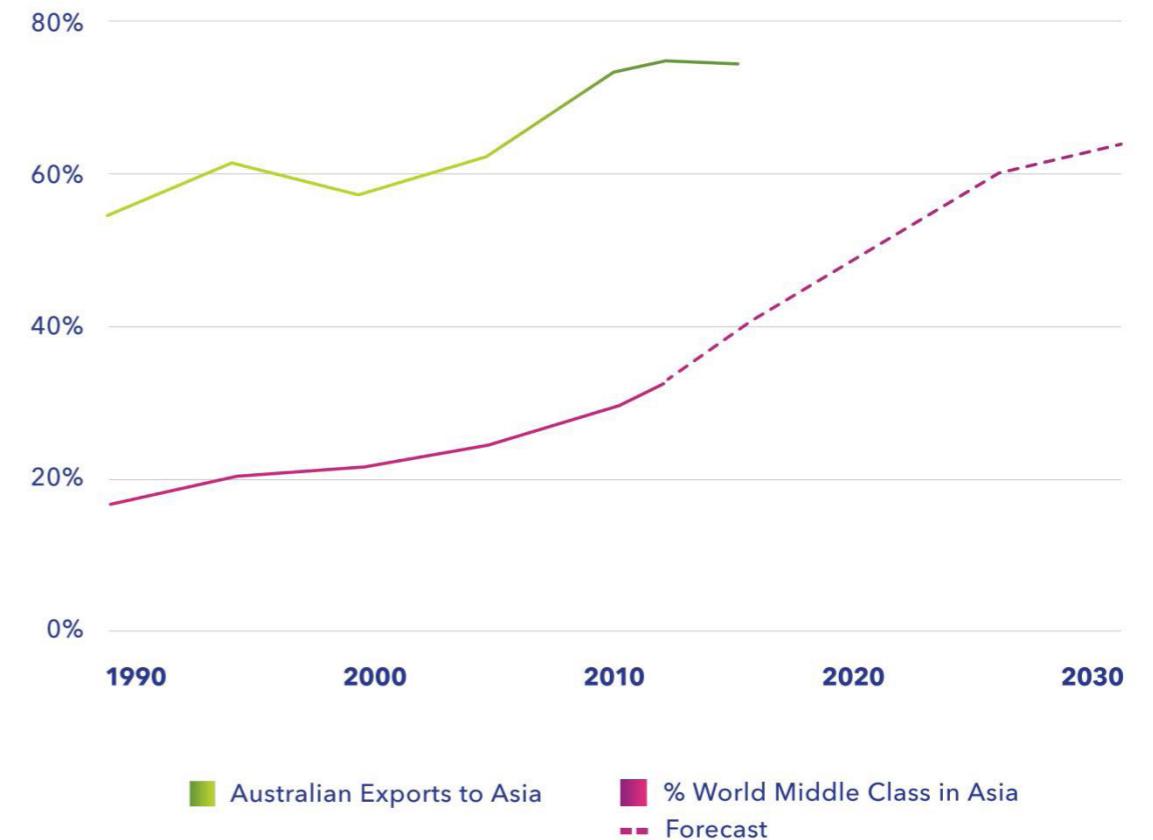
### Australia's goods & services exports

Current price - goods on a recorded trade basis, services on a balance of payments basis

Country (a)	2012-13	2013-14	2014-15	2015-16	2016-17	2016-17 Rank	2016-17 % growth		5 year trend
	A\$m	A\$m	A\$m	A\$m	A\$m		% share of total	2015-16 to 2016-17	
<b>Regions and country groups (f)(g)</b>									
APEC	236,464	269,400	253,129	244,437	286,918	-	76.9	17.4	2.3
ASEAN	34,524	37,999	41,378	37,284	42,305	-	11.3	13.5	3.5
EU (h)	24,989	22,817	23,643	27,781	30,540	-	8.2	9.9	1.6
OECD	127,284	131,952	130,109	128,101	140,251	-	37.6	9.5	-0.1
Africa	4,758	4,378	4,309	3,944	4,151	-	1.1	5.2	-4.0
Americas	21,238	23,256	27,661	29,428	28,761	-	7.7	-2.3	6.7
Asia	229,452	258,104	241,524	231,454	280,544	-	75.2	21.2	2.3
Europe	28,815	27,036	27,209	31,745	35,083	-	9.4	10.5	1.5
Oceania & Antarctica	15,759	16,362	16,944	17,046	18,061	-	4.8	6.0	2.6

Based on ABS trade data on DFAT STARS database (Sep 2017 data), ABS catalogue 5368.0.55.003 and unpublished ABS data.

Further, trends show that exports to Asia track the growth of Asia’s middle class, with the forecast of the growth of Asia’s middle class continuing to grow:



Sources: Department of Foreign Affairs and Trade, Brookings Institute

Clearly an assumption can be made that the Asian economy, and as a subset the Southeast Asian economy, will continue to grow in the medium to long term.

The proximity of Yawuru lands to Asia and Southeast Asia in particular means that Yawuru's long term economic strategies must be connected to the economic expansion of Southeast Asia.

The 2012 White Paper *"Australia In The Asian Century"* (Australian Government) details the opportunities for Australia's engagement which then Prime Minister Gillard described as "a road map for national success as Asia's unstoppable rise continues."

The thrust of the White Paper is captured in the following paragraph within it:

*"Asia's extraordinary ascent has already changed the Australian economy, society and strategic environment. The scale and pace of the change still to come mean Australia is entering a truly transformative period in our history. Within only a few years, Asia will not only be the world's largest producer of goods and services, it will also be the world's largest consumer of them. It is already the most populous region in the world. In the future, it will also be home to the majority of the world's middle class."*

ASEAN will soon become the world's biggest trading region, with inter-business trade exceeding that in the European Union. A recent Committee for Economic Development of Australia ("CEDA") report on Australian outbound investment in Asia said:

*"Asia now accounts for around 40 per cent of the world's gross domestic product (GDP), a 15 percentage point rise from 1990. The region accounts for two-thirds of global growth and by 2030, four of the world's five biggest economies in purchasing power parity terms will be in Asia, namely: China, India, Japan and Indonesia. According to IMF projections, the middle class in China and India could amount to 1.5 billion people by 2020 – markets that offer significant opportunity for Australia."*

According to the Organisation for Economic Cooperation and Development ("OECD"), by 2030, Asia will host 64% of the global middle class and account for over 40% of global middle-class consumption.

Indonesia is the largest economy in terms of Gross Domestic Product in South-East Asia and, as a member of the G-20, is a significant emerging market in the world economy and predicted to become the world's fourth-largest economy by 2050.

The growth of the Asian economy in recent decades has fundamentally altered and changed the way we view, deal and engage in our relationships with each other as peoples in our social, political and economic lives. Halfway through the twentieth century, Asia accounted for only 20 percent of global GDP, but spearheaded by Japan and South Korea's "economic miracles," the rise of the Asian tiger economies of Southeast Asia and China's subsequent economic boom, Asia now contributes 40 percent of global GDP. According to the International Monetary Fund, it will deliver nearly two-thirds of global growth in the next few years.

Furthermore, the Asian consumer has a strong appreciation of the value of traditional cultures and is heavily invested in the health benefits of clean, green and traditional foods, super foods and natural medicines. In the context of discretionary spending the Asian consumer is increasingly wealthy and following the global trend of seeking experiential based tourism.

following the global trend of seeking experiential based tourism. The unique Kimberley offering of these types of experiences underpinned by an Aboriginal cultural narrative within an untouched landscape has unlimited potential.

The challenge is to create an Indigenous brand which embodies our natural advantages and connects with the Asian consumer who looks to Australia as a safe and well located destination which is increasingly becoming more connected to Asia as the infrastructure is developed.

The 2015 White Paper on Developing Northern Australia said this about the North's connection with Asia:

*"Australia's north is unique in the developed world. It sits at the intersection of the two great regions of global economic and population growth — Asia and the Tropics. The booming economies of south East Asia and southern China are within three to five hours flying time from Darwin. The Tropics account for 40 per cent of the world's population today, rising to 50 per cent by 2050 (State of the Tropics, 2014). By 2030 Asia will represent approximately two thirds of the global middle class population and of middle class consumption. The north operates in similar time zones to the most dynamic economies in Asia — a particular advantage for service industries. The region is integrating fast — Australia has recently concluded Free Trade Agreements (FTA) with Japan, South Korea and China, and is in ongoing negotiations with India, Indonesia and on regional FTAs such as the Trans-Pacific Partnership (TPP), the Regional Comprehensive Economic Partnership (RCEP) and the Pacific Agreement for Closer Economic Relations (PACER) Plus."*

The impact of Asia's economic growth is well understood and embraced in Australian public policy and national strategies for economic growth. Yet despite the fact that this economic revolution is happening so close to Australia's northern borders, there is little strategic policy consideration regarding Australian Indigenous engagement with Asia. This should be seen as surprising given that Indigenous corporations are by far the biggest direct owners of property with Indigenous common law rights applying to more than 80% of northern Australia. The 2012 Australia in the Asian Century White Paper paid scant reference to Indigenous interests and the 2015 White Paper on Developing Northern Australia ignores the potential of Indigenous people's economic engagement with Asia.

Yawuru has no economic choice other than to explore building its cultural, social and trading relationships in the region to utilise and grow its capital to the best potential available.

Yawuru is strategically placed to use Yawuru Capital to engage Asian markets concerning products such as food, energy, tourism, education, health and wellbeing, and community development and natural and environmental management expertise.

Importantly and strategically Yawuru is well placed to engage with Asian interests in cultural, social and political terms. Practically all Asian societies have experienced colonisation by western powers which parallel the Yawuru experience. But more importantly, Asian people's extensive engagement with Broome from the late nineteenth century because of the pearling industry gives Yawuru an established connection with Asia. A significant proportion of Yawuru people also have Asian heritage which must be seen as a competitive advantage in terms of developing an economic relationship with Asian trading and investment partners.

## 6.4 Opportunities, Demand and Supply

Having identified the opportunities open to trade in goods and service with Asia and in particular South East Asia, a study of goods and service in demand by the ASEAN countries can lead to decisions about the ability of Yawuru to supply these goods and services.

ASEAN's top imported commodities (in 2015) from Australia/New Zealand were minerals, oil and gas (21.9% of total), agricultural products (18.38%), pearls, precious and semi-precious stones and precious metals (4.9%). Other imports including tourism, health, business services and education services are included in the "other" category making up 54.5%.<sup>11</sup>

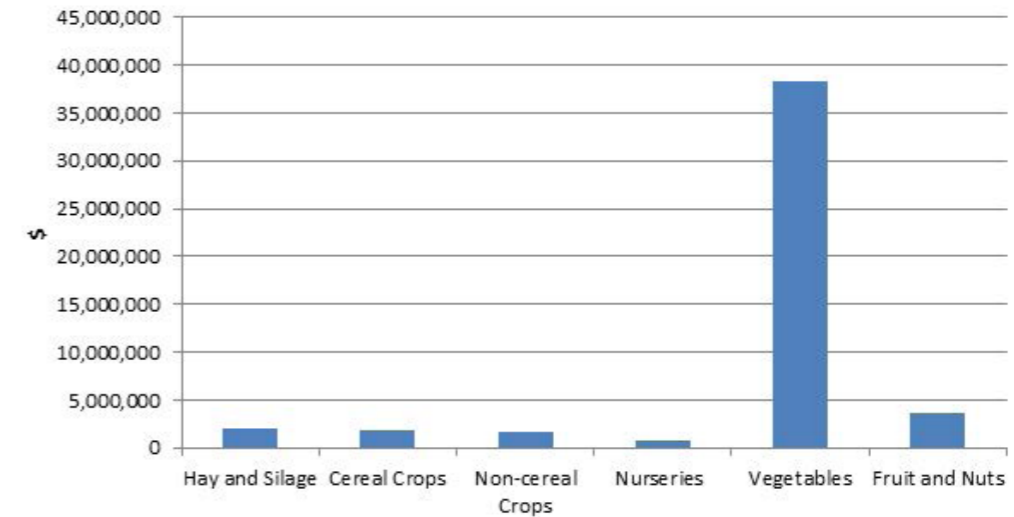
Imports of services by ASEAN in 2015 include travel and tourism (20.6% of total), transport (33%) and other business services (23.9%).

Within these broad categories Yawuru Capital capabilities to meet the opportunities of ASEAN demand can be explored, particularly in the areas of tourism, agriculture, and technology services.

However while the opportunities due to the proximity to the rapidly developing Asian economy mean that Yawuru economic strategy must explore them, the Yawuru economic strategy must also recognise local and national markets. This means that investment in developing industries with high local and national demand must also be explored. Taking the areas of tourism, agriculture and technology, a case can be argued that Broome and Australian supply and demand data also points out the opportunities in these broad areas.

Tourism Western Australia notes that tourism is a key economic driver of the State, with direct and indirect tourism contributing to 4.6% of the State's economy in 2015/16<sup>12</sup>. There were over 1.2 million domestic inter and intrastate visitors to North-Western Australia in 2016 spending over 10 million nights in the region<sup>13</sup>. In Broome, there were on average over 242,000 annual domestic intra and interstate visitors spending nearly 1.4 million nights per annum over the calendar years 2014, 2015 and 2016<sup>14</sup>.

Similar indicators exist in agriculture where 77% of agricultural produce is exported leaving 23% for domestic consumption<sup>15</sup>. Agriculture is now the largest contributor to national GDP growth and the fastest growing economic sector<sup>16</sup>. According to the Kimberley Development Commission<sup>17</sup> the Agriculture and Rangelands industry in the Kimberley has excess capacity, additional scope for development, and has already succeeded in attracting large scale foreign investment.



Gross Value of Agricultural Production 2012/13 (Source: Australian Bureau of Statistics, Kimberley – Value of Agricultural Commodities Produced 2013-13)

Technology services also provide Yawuru with significant opportunities both domestically and internationally. As a region the Aboriginal population in Broome have established some credibility as a technology innovator, particularly through film and new media products by the Broome resident Aboriginal owned media company Goolarri Media Enterprises Pty Ltd. Over the years through a trickle-down effect, young Aboriginal aspirants have started micro and small businesses around technology, new media and the internet. This opportunity is supported by the existence, in the region, of a Liquefied Natural Gas industry investment in high level fibre optic technology with potential for Yawuru to link Broome to anywhere in the world.

<sup>11</sup> Asian Economic Community Chartbook 2016 (ASEAN)

<sup>12</sup> <https://www.tourism.wa.gov.au/About%20Us/Documents/TSA%202015-16%20Fact%20Sheet.pdf>

<sup>13</sup> Tourism WA: Australia's North West Overnight Visitor Fact Sheet 2014/2015/2016

<sup>14</sup> Tourism WA: Shire of Broome Overnight Visitor Fact Sheet 2014/2015/2016

<sup>15</sup> National Farmers Federation: Farm Facts <http://www.nff.org.au/farm-facts.html>

<sup>16</sup> Department of Agriculture and Resources

<sup>17</sup> <http://kdc.wa.gov.au/economic-activity/agriculture-and-rangelands/>

## 7. ECONOMIC STRATEGY

As argued above, the necessity to engage with Asian markets both in terms of trade and investment is clearly of importance to Yawuru's long term economic development. Given Broome and the Kimberley region's proximity to the rapidly growing economic consumption power of Southeast Asia and the potential to market products such as beef and other foods, tourism and energy, Yawuru have commenced an exploration of investment and trade exchange with Asian business interests.

Yawuru believe its development model has the potential to grow a mutually beneficial economic relationship with Asian markets over time. This presents an opportunity to transform Broome's regional economy, which is currently too reliant on southern Australian public investment, to one of vibrant and inclusive growth. The Asian connection with Yawuru and Broome could also influence the development approach to northern Australia more generally.

At the same time, also as argued above, the direct local economy also plays a part in Yawuru's economic strategy. The nature of goods and services appropriate to a South East Asian market is also suitable for domestic consumption.

### 7.1 Strategy

Based on the evidence Yawuru will follow four high-level strategies:

1. Engage in Asian markets both in trading and in investment partnerships;
2. Lead investment in the north and help to create supportive Indigenous investment policies and opportunities;
3. Lead the development and future growth of Broome using *mabu liyan* measurements, thus ensuring the legacy of the Yawuru Cultural Framework is established for Broome; and
4. Use the renegotiation of the ILUA's as a positive and collaborative opportunity for all stakeholders.

In implementing these high-level strategies, Yawuru will recognise the IRG's nine principles of "Activation, Acceleration and Optimisation" of Indigenous assets in northern Australia referred to previously, because these are consistent with Yawuru's Cultural Framework of economic investment and development. As a guide to the operational implementation of investment planning and selection in accordance with these high-level strategies within the Yawuru Cultural Framework, Yawuru will:

1. Protect native title from further extinguishment where future land use impacts on Yawuru traditional use on that land;
2. Support the issuance of new fungible title on lands where this is aligned to the broader objectives of Yawuru, balancing any perceived impacts on traditional use of specific land parcels with the capacity of that development to strengthen Yawuru culture and wellbeing;
3. Assume a leadership position regarding major developments on Yawuru country by taking on the status of proponents or equity participants;
4. Lead and promote economic development opportunities consistent with the Yawuru Cultural Framework;
5. Ensure economic development projects are financially viable and supported by effective, evidence-based feasibility assessments and sound research and development processes.
6. Operationalise the principle of free, prior and informed consent to ensure that Yawuru's economic development leadership is mandated by the Yawuru community and native title holders.

Yawuru will also use the various management and investment tools and pathways to investment that are open to it while pursuing the high-level strategies.

This includes the use of drivers and tools such as:

- Social impact investment funds;
- Legal partnerships and joint ventures;
- Corporate structuring appropriate to provide risk-mitigation, tax-effectiveness and leveraging of investments through the introduction of third-party shareholders;
- Specific government funding when available;
- Use of the opportunities provided by the Indigenous Procurement Policies of the Australian, Western Australian and local governments.

### 7.2 Social Impact Measurement

As stated earlier, Yawuru are working with social impact measurement experts to develop a rigorous measurement framework that demonstrates positive quantified economic and social outcomes of Yawuru investment and development.

Yawuru, as native title holders, are sponsoring the Kimberley Institute's research and co-ordination of the Broome Model Collective Investment Project with international consulting firm Ernst Young ("EY"). The Broome Model Collective Investment Project investigates a new model of funding community service and social enterprise organisations using social impact investment. The key is in the use of the internationally recognised "Social Return on Investment" ("SROI") measurement tool that first establishes a theory of change for specified social ills and the effect interventions will have.

SROI:

- Is a way of understanding how effectively money is spent or invested;
- Is a way of comparing the value of change created to the investment required to create the change;
- Is an adjusted and enhanced form of cost-benefit analysis which considers triple bottom line (economic, social, environmental) benefits and investments;
- Measures outcomes, not outputs;
- Measures the change that matters to stakeholders; and
- Can be either evaluative or forecasted.

At the same time Yawuru are also working with the Australian National University and have had discussions with Social Ventures Australia with a view to use all of these sources and references to establish its own SROI measurements that will describe the theory of change for the Yawuru people in the development framework using *mabu liyan* principles.

This will have significant long term consequences.

The measurement of social and community development, including the effects of economic activity, using a measurement tailored specifically for what Yawuru consider important (basing this on *mabu buru, mabu liyan, mabu ngarrungunil*) will allow Yawuru to ensure that its economic development stays firmly within the Yawuru Cultural Framework and “on brand.”

Secondly, in leading the research and establishment of the measurements of the desired change Yawuru can contribute to the Broome Growth Plan with tangible *mabu liyan* measures of any proposed growth plans. The draft *Broome Growth Plan – Strategy and Action Program* (2016) shows that Yawuru leadership on these measurements is critical when it says:

*It needs to be acknowledged that there are two complimentary views of the future of Broome. Economic development needs to deliver against objectives, and in Broome, community objectives at the highest level coalesce around a small number of key common themes. The planning objectives at the heart of the prevailing regional and local plans describe the interrelationship of people, place and prosperity, which are generally regarded as the ‘triple bottom line’ approach to development.*

*In Broome, the cultural dimension adds vibrant nuance that highlights the complex interrelationship that Aboriginal people have with the land and how it is used, preserved and managed. The Yawuru people describe this relationship as *mabu ngarrungunil* (healthy community), *mabu buru* (healthy country) and *mabu* (good) *liyan*.*

*All people of Broome would recognise that a future Broome needs to operate to a ‘shared vision’, with future development based on the accommodation of these two prevailing concepts. The Growth Plan breaks new ground and brings together these complimentary views and objectives.*

Thirdly, this SROI measurement methodology is fundamental if Yawuru is to engage in the emerging international pool of Social Impact Investment Funds and Bonds which are likely to play an increasing role in the Indigenous social ventures based economy. It is simply good sense that Yawuru’s investments should be leveraged by government funds, by joint ventures and partnerships with third party commercial interests, and with social impact funds. The clearer the definition of the return desired, and its measurement, the clearer Yawuru’s investment proposals will become to partners.

### 7.3 Renegotiation of the Yawuru Native Title Global Agreement

The current re-negotiation of the Yawuru ILUAs aimed at reaching agreement with the State Government and the Shire of Broome on a comprehensive agreement is an opportunity to instil the principles of sustainability and mutual respect for the recognition of Yawuru native title rights and interests.

Notwithstanding the legitimacy or otherwise of either party’s position on contestable matters arising out of the current ILUA’s in respect to the true value of the packages, both the State and Yawuru have an opportunity (with the Commonwealth) to enter the negotiations collaboratively in order to jointly deliver an enhanced equity outcome for both State, Yawuru and the wider community of Broome.

The negotiation should move from a zero-sum contested negotiation to one of collaboration and partnership. The new narrative is about how best to secure a sustainable Yawuru agreement which supports the Yawuru people and is integrated into broader economic development for the region’s Indigenous economy.

An innovative collaboration involving Yawuru, the State Government and the Commonwealth (through its northern development agenda) should provide an exemplar to guide the reform of State and Federal policies and legislative instruments which sees economic development through a new lens.

The partnership approach with the State and Commonwealth governments, Yawuru and the Shire of Broome should be underpinned by an economic investment and growth package, delivering key infrastructure and other projects through the revised and comprehensive ILUA, providing stimulus to the immediate Broome and surrounding regional economy.

Yawuru are currently participating in research and development, feasibility assessments and investment discussions on several economic development proposals in which collaboration with the State government can be used to leverage benefits for the region:

- In partnership with the announced State decision to establish a tropical horticultural research institute centred on Yawuru owned Roebuck Plains Station;
- World class tourist resort and conference facility;
- Globally recognised destination cultural centre as a gateway for Kimberley regional tourism;
- Cold storage and logistics hub based in Broome;
- “Big box store” commercial precinct;
- A co-operative arrangement with other Kimberley Indigenous owned pastoral operations and The Kimberley Meat Company to form a distribution and marketing group;
- Boat harbour facility that can home port cruise ships;
- Horticultural precinct on Roebuck Plains Station;
- Potential for Yawuru to obtain the lease and operating license for the new Broome international airport in partnership with the Shire of Broome and possibly other share-holders

This is not an exhaustive list of infrastructure projects which are on the drawing board concerning Broome’s future development, but it does show the potential for Yawuru to lead development on Yawuru country and shape the future economy of the region.

Our participation in the northern Australia agenda will strategically place Yawuru at the forefront on the development of a new Indigenous brand and supply chain supported by infrastructure and, critically, local capacity development. Yawuru is also well positioned through the success of its social development programs to access new sources of institutional and private capital which are underpinned by the SROI model.

A strategic amalgamation of Yawuru, public and private investment, including offshore finance, has the potential to change the Broome and Kimberley economy in ways that have structural and lasting benefits for Yawuru and the wider Aboriginal community, and have a positive and lasting influence across Australia.

## 8. FOCAL POINTS FOR IMPLEMENTATION OF STRATEGY

Yawuru intends to pursue a bold transformational agenda in implementing its high-level strategies. In recent years three significant reports have been produced regarding Broome and the Kimberley region's economic outlook. They are;

1. *2036 And Beyond: A Regional Blueprint For The Kimberley* (Kimberley Development Commission 2016);
2. *Unlocking the Door: A Study Into The Feasibility Of Broome As A Commercial And Logistics Hub For The Kimberley Region* (Broome Future Limited 2015); and
3. *Broome Growth Plan – Strategy And Action Program draft* (Growth Plan Partnership 2016).

While each of these reports has a different focal emphasis, there is consensus on the following critical strategic elements;

- Any economic development strategy for the Kimberley must maximize Aboriginal participation and benefit as a fundamental priority. Without a substantial improvement in Aboriginal employment, the Kimberley's current inequitable and underdeveloped economy will worsen given the projections of Aboriginal demography in the coming decades.
- While there are a number of economic opportunities that are identified by each report, tourism and agriculture are seen as the long term stable industries for the Kimberley's future.
- Aboriginal culture should be seen as a comparative advantage for the Kimberley Region's economy.
- Broome is a strategic gateway and service centre for the Kimberley region.
- The region's proximity to the rapidly growing Southeast Asian economies is a major strategic economic advantage for the region.

These reports are important to guide and inform Yawuru's development framework, but their limitations should also be acknowledged in the sense that their recommended strategies and actions are informed by established western economic approaches. They do not embrace an understanding of Yawuru Capital which combines Yawuru's property assets with its social, cultural, knowledge and natural capital.

Yawuru come to the table with a unique value proposition. Not only does Yawuru have the physical lands on which to operate as well as the human capital that can be applied to deliver both a social and economic outcome, they also have the traditional knowledge and wisdom which could underpin an Indigenous branding strategy that could be a positive disruptor in the marketplace, an innovation waiting 40,000 years to happen.

In the recently released Australian Government 2017 Foreign Policy White Paper, Prime Minister Malcolm Turnbull included recognition of the need to *“develop a stronger “nation brand” to market our commercial, educational and cultural credentials in a competitive global market.”* This national brand should not be seen as singular, rather as a granular composite that enables different markets to be targeted, with products researched and matched to their needs. It would be within this broader framework that Indigenous Branding would co-exist with other marketing strategies.

Yawuru's *mabu liyan* development platform is an extraordinary branding and marketing opportunity.

It captures compelling themes comprising thousands of years of cultural connection, modern cultural renaissance and Aboriginal nation building incorporating the rise of individual, family and community wealth. At its foundation lies an emerging inclusive economy integrating conventional industries, marketable bush products and Aboriginal modes of production which involves family social enterprises and innovative means of wealth accumulation.

The strategic level focal points in which Yawuru will implement its economic strategy are:

- Tourism
- Agriculture
- Technology
- Natural resources and the environment
- Indigenous culture including cultural tourism and bush foods
- Education
- Logistics

*Appendix 1* expands on specific opportunities within these focal points that are already being explored.

These focal points have been chosen because they are industries or other opportunities that have a growing demand locally and in Asia, or support and service industries that have growing demand. They have been chosen because they are also within the capacities of Yawuru Capital.

The markets for these focal points are within the region and in northern Australia as well as in Asia. Hence the focal points also fit into the opportunities provided by the economic assumptions discussed earlier.

These industries already have many Yawuru families, as well as other Broome organisations, who operate within them. Yawuru's intention is not to supersede them but to provide scale. Private operators such as individual tour operators or wild harvest bush fruit operators may not wish to become a large business, but the value that Yawuru would bring to these industries will help them achieve economies of scale and access to more substantive markets. Adding value to Yawuru family business operations will only progress the *mabu liyan* culture in Broome.



## 9. PARTICIPATION IN THE BROADER NORTHERN AUSTRALIAN DEVELOPMENT AGENDA

This Policy Paper sets out the roadmap for Yawuru strategic investment, the economic sustainability of Yawuru, and the resulting engagement of Yawuru people in the economy.

The Yawuru economic strategy sits within a broader context of participation in the development of northern Australian for the benefit of Yawuru people, the people who live in our region and the broader Australian community. To achieve this future, the following actions will be cultivated by Yawuru.

### **Comprehensive research and development**

Yawuru recognises that if Indigenous organisations are to engage creatively with the intention of developing a new inclusive economy of northern Australia, they will need to do so with the best advice and evidence available. Yawuru will continue to partner in research and development investment collaborations and will advocate for collaborations between universities, industry and government that are needed to support Indigenous economic development potential concerning a range of products and ventures that are either uniquely indigenous such as native foods and medicines, carbon farming and cultural and ecological based tourism, or established industries like beef production, horticulture, fishing and energy.

### **Aligning Commonwealth and State investments and policies**

Yawuru will continue to call out anywhere that it perceives dysfunction between the Commonwealth and State governments in the way they fund and engage with Aboriginal communities. There should be shared strategic objectives and development strategies.

### **Indigenous governance development**

Yawuru supports a strategic approach to building Indigenous capacity in decision making and economic management that supports Indigenous investor interests whilst recognising external investor community requirements.

### **Indigenous land tenure reform**

Yawuru supports a strategic approach to ensure that Indigenous communally owned lands can be developed through conventional loan finance and still retain its security for traditional owners and native title holders. Principles of non-extinguishment through for example, leasing and subleasing and temporary suppression of native title must be embedded in public policy in a manner suitable to the mainstream institutional finance sector, in lieu of the previous approaches of freehold and extinguishment. Yawuru should seek to pilot tenure reforms on its lands, including Roebuck Plains Station and its ALT Reserves, to enable economic development with bankable investments which could co-exist with unalienable Native Title with a view to provide leadership to the sector.

### **A North Australian Indigenous training and capacity building strategy**

Yawuru supports a northern Australian education and training system that is designed to assist the transformation to an inclusive and sustainable economy.

### **A fiscal reform package to support development projects on Indigenous land holdings.**

Yawuru will continue to advocate for incentives, including rebates and company tax concessions as an accelerator strategy investment partnerships with Indigenous entities to advance projects on Aboriginal lands.

### **Access to capital**

Yawuru will seek new funding possibilities and will continue to advocate for policy reform support that is still required to move Indigenous people from exclusion into full participation in the economic agenda.

### **Indigenous Water Reserve Allocation**

Yawuru believes it is fundamental to future economic growth that Indigenous interests must be placed at the heart of any new water sources, including those to be allocated for economic purposes into the future.

### **Economic Growth**

Yawuru recognises that economic growth and future sustainability for Yawuru people and our broader community will rely on optimising our economic opportunities where they are not in conflict with our cultural obligations and support our social development. Any economic development strategy for the Kimberley must maximize Aboriginal participation and benefit as a fundamental priority.

### **Indigenous Branding**

Yawuru's *Mabu Liyan* is an extraordinary branding and marketing platform that should be at the heart of a Yawuru brand for our products and produce. Yawuru recognises the importance of brand and scale by supporting and providing leadership in a framework for Indigenous branding across Northern Australia that is compatible with that ethos.

### **Primary Industries**

Yawuru will provide leadership across the Indigenous Primary industry sector including pastoral lands and diversification of those lands. The traditional knowledge and foods will be protected as far as practicable under law and, where appropriate, the potential of those products will be explored with research partners, and developed in a culturally appropriate manner that may include wild harvest and commercial cultivation.

### **Tourism**

Yawuru will seek to be a leader in Indigenous tourism including scenic, gourmet and those seeking to better understand the wisdom, traditions and stories of our ancient culture.

### **Service Industry**

Yawuru is committed to improving services to the Yawuru people and those in our local community to improve the health and wellbeing of our people and those that share our spaces. To achieve this, Yawuru will seek to partner with government and other service agencies to deliver or enable targeted services such physical and mental health, education, training and leadership. The partnership could have many forms and include advocacy, leadership or programs.

### **Small Business Development**

Yawuru recognizes that there are many business opportunities in the region and that small business is traditionally a major employer. Yawuru seeks through both advocacy and practical support, to enhance the success prospects of Aboriginal business through market and capacity development.

## 10. APPENDICES

### Appendix 1:

#### Economic Opportunities within the focal points currently being explored by Yawuru

Outlined below are the economic opportunities that are currently on the horizon under this strategy.

##### **Tourism**

Tourism is Broome's most important industry in terms of income produced and people employed. Research associated with the feasibility of the Kimberley Centre for Culture, Arts and Story show that Broome is a unique Australian tourist destination because of the demographic profile of the tourist who come to Broome. Broome attracts an older and wealthier proportion of tourists than other Australian destinations. Data show that there is huge potential to attract more international tourists who currently constitute just 9% of visitors although they stay twice as long as intra and inter-state visitors.

The proposed Kimberley Centre for Culture, Arts and Story, Dampier Peninsular Road and the planned Broome Boat Harbour and cruise ship port facility has the potential to make the Broome regional global tourism destination. Yawuru should be positioned to take a leadership role in this industry particularly concerning the potential for infrastructure developments such as a world class tourism resort at Gantheaume Point and the potential new International Airport. Beef, fodder production and horticulture

Yawuru has the potential to lead an integrated Kimberley regional beef strategy leveraging Roebuck Plains Station and the Roebuck Export Depot Cattle Yards. Yawuru has the leadership capacity and strategic economic leverage to integrate a number of Aboriginal owned pastoral leases under a supply chain framework for live and boxed beef export.

A Pivot irrigation and horticultural precinct at Roebuck Plains Station could play a strategic role in fodder production as well as the potential for other products such as industrial hemp for export to the Asian fabric industry.

Yawuru could lead a research partnership incorporating Yawuru, government, universities and industry for a centre to research tropical horticulture. Current discussions with Government and research bodies indicate the potential for this centre to focus on beef fodder, aquaculture and bush food and medicines.

##### **Technology Hub of Innovation**

The offshore Liquefied Natural Gas ("LNG") industry has invested in high level fibre optic technology to connect their respective LNG rigs to a secure telecommunication network and to enhance their robotic and artificial intelligence technology for greater cost efficiency and production capabilities. There is potential for Yawuru to be mentored by the likes of Woodside in this technology and with

potential equity partners to link this technology to Broome as location for advanced digital telecommunications. This scenario could attract Asian and other investment to Broome as well as supporting Yawuru industry in tourism and advancing cultural and social innovation.

##### **Bush Products**

There is extensive data to show the emergence of a new economy for the Broome region which highlights the potential of bush food and medicine, cultural tourism, carbon abatement and sequestration and renewable energy.



mabu buru, mabu liyan, mabu ngarrungunil

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