

FINAL REPORT – Indigenous Banking and Finance



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Executive Summary

The project for Indigenous Banking & Finance, funded through the Regional Assistance Program, aimed to achieve the following broad objectives;

- Research and analysis of existing data including statistics, existing programs and services;
- Identify issues and barriers to Indigenous people obtaining access to commercial and public finance;
- Consult with key stakeholders and develop a report and feasibility study outlining key issues and recommendations, an economic impact analysis, identification of funding sources and employment outcomes;
- Obtain support from key stakeholders in progressing this project to the next stage – a fully realised Business Plan.

The project to investigate the potential for improved services to regional and remote communities for banking and finance services has involved significant desktop research, development of a Discussion Paper for community comment and analysis of responses to the Paper leading to this Final Report.

This Report details those findings and provides recommendations as to how the project can be progressed and the issues that need to be considered for a successful outcome. The underlying requirements for any progress in this project are;

- Consultation
- Collaboration
- Transparency
- Education
- A sense of ownership by stakeholders

Provided the above tenets are considered in any planning process then the realization of improved access to and understanding of banking and finance products and services to regional and remote Indigenous communities is achievable.

This Report is seen as a significant first step along the path to providing Indigenous communities with access to banking and finance services that are taken for granted in the wider community. We recommend a staged approach with the development of a Business

Plan, pilot sites established leading to staged implementation. In addition it is vital that the Traditional Credit Union be a central partner in the next stage of this project.

A socio-economic impact statement is attached to this report and shows that there is much to be gained for Indigenous people if they have greater access to banking and finance products and services. In addition an Employment Analysis is attached detailing the potential direct and indirect employment opportunities from improved banking and finance services.

The writers would like to thank all of those organisations who took the time to read and respond to the Discussion Paper and contribute to this Final Report. Many of the respondents will be required to contribute to a successful next stage in the development of this project and they have shown through this initial phase that they are committed to a better outcome for Indigenous Territorians.

Background of Project

The NTACC (NT Area Consultative Committee) brings together Territorians prominent in business and the community to co-ordinate, plan, and provide leadership for improved opportunities for employment for Indigenous people.

The purpose of the project was to research and identify the barriers to Indigenous economic development in relation to the responsiveness of the banking and finance sector and to explore the issues of the creation of an Indigenous Bank for Northern Australia. In addition it looked at the employment opportunities available from an expanded banking & finance industry in the Northern Territory.

The Department of Workplace Relations and Small Business under the Regional Assistance Program (RAP) originally funded the project. This Department has now been superseded by the Department of Transport & Regional Services to whom this Report will be tabled.

A Steering Committee made up of the following people was established;

David Wheaton	Executive Officer	NTACC
Barbara Bradshaw	General Manager	TCU Limited
Joe DeLuca	Senior Policy Advisor	ATSIC

John Hofmeyer	Manager	ODN
Katya Peart	Project Manager	DEWRSB
Michael Harrison	Director	Street Ryan

The consultants undertaking the Project (Catalyst Consulting International) reported to the Steering Committee and the Committee developed the process and content for the Project.

A Discussion Paper was developed (see Attachments) and forwarded to over 200 organisations and interest groups for comment and feedback. In addition the consultants visited 5 communities in the Northern Territory – Tjawunpa, Tangentyere, Elcho Island, Milingimbi and Gapuwiyak to discuss Indigenous banking and finance issues as part of a separate project on e;commerce for remote communities. Given the fact that access and infrastructure are key issues for banking and finance success their observations were considered valid to this project. These discussions took place with council representatives and local business operators. Their responses were in line with the written responses received to the Discussion paper and focussed on consultation, collaboration, communication and seeing something happen.

Discussion Paper

The Discussion Paper sought to gather feedback from interested parties by providing research on existing models, investigating legislative requirements, examining regional versus remote issues and asking for comment via a series of questions;

1. Is a coordinated approach possible? Have all interested parties been identified – if not who else?
2. What role do you see your organisation playing in the creation of employment opportunities through improved access to banking products?
3. Of the possible models outlined which do you believe is likely and why? If none of the models are suitable what is an alternative?
4. Is a strategic partnership with a major bank possible?
5. Who is likely to fund a wide-scale education program?
6. Are there additional issues that should be considered as part of this project?

Sixteen (16) written responses were received as well as a number of telephone conversations conducted with interested parties. This was an excellent response and shows the level of interest in the broader community for this issue.

The following broad categories outline the interest groups who responded to the Discussion Paper;

- NT Government Agencies
- Indigenous Groups
- Federal Government agencies
- Financial institutions
- Educational institutions
- Private respondents – general public

The purpose of this Final Report is to examine the key issues identified by respondents, discuss the broad strategies put forward and to make recommendations on how to implement these strategies.

It is important to note that whilst the original Project purpose was – *“Investigate the feasibility of an Indigenous Bank for Northern Australia and the potential economic and employment outcomes of such a venture”* - early research indicated that the legislative requirements for the development of a Bank were extremely onerous and that the Project should look at alternative models using existing suppliers rather than a new Bank.

In addition Mr Geoff Clark, Chairman of ATSIC, noted;

“In light of current activity, you might consider the opportunity to coordinate and further build on existing structures to gain better services for Indigenous communities across localities throughout the Northern Territory rather than establishing a new financial institution.”

Findings

Before addressing specific findings against the questions outlined it is important to look at the broader issues identified by respondents. The following two comments deal with underlying issues facing the improvement in services namely the need for behavioral change and that success will only come via a sense of ownership by Indigenous people.

- *“There must be a realization that banking institutions and the practices that they follow do not contribute towards changes to savings and investment. Indigenous economic development requires a fundamental shift in behavior of all parties concerned. It*

requires a model for changing savings and investment behavior among Indigenous people and institutions.”

This comment supports the suggestion that an education program is required as part of a broader banking and finance expansion.

- “If there is one lesson to be learned from the past years of development activity in Aboriginal Australia it must surely be this – *“ In as much as a community or its individuals truly believe that they own the organizational structure delivering their services, outcomes can be predicted to improve”.*

The Discussion Paper (see attached) provided details of the research undertaken by the Consultants and details of issues that needed to be considered in determining a future path. The main purpose of the Paper was to provide the opportunity for interested groups to comment across a series of broad questions. Details of the responses form the basis of this Section of the Report.

1. *Is a coordinated approach possible? Have all interested parties been identified – if not who else?*

It was noted by more than one respondent that if the intent of expanding existing services is towards community ownership then it is more likely to be successful. If the outcome was a centralized regional structure then the chances of success were greatly reduced.

It is important to the success of expanded services that the correct stakeholders be consulted throughout the next phase of the process. In developing a suggested list of stakeholders the following groups were identified by respondents;

- ATSI
- Northern Territory Government
- Local Government Association of the Northern Territory
- Traditional Credit Union
- Rural Transaction Centres
- Major banks
- Land Councils
- Relevant Federal government agencies
- Individual communities

Whilst this list is not deemed to be exhaustive it does provide a broad indication of the diversity of groups required to be consulted as part of an attempt to expand banking and finance services to Indigenous people. In addition consultation would be required with educational institutions as part of an increased awareness and knowledge program.

Please refer to the Recommendations Section for a methodology to coordinate these diverse groups.

2. *What role do you see your organisation playing in the creation of employment opportunities through improved access to banking products?*

A random sample of extracts of responses to this question is as follows;

- The NTU can be an active partner in all areas of this proposal. For example, in identifying product and services appropriate for the banking industry, in investigating appropriate mechanisms for operationalization of the process and in evaluation of the product and process for banking services – **NTU**
- The National Australia Bank is firmly committed to the generation of indigenous employment in the Bank. This is reinforced by the recent launch of the Indigenous Employment Program. We have recently provided loan finance to Indigenous communities wishing to purchase major businesses located in their remote rural area. These enterprises will provide training and employment opportunities for community members in the future, and profits generated will be used to improve community services in the area – **National Australia Bank**
- As individual communities are responsible for managing and administering RTCs there are opportunities for an increase in employment and skill development for members of the local community. The possible use of CDEP funding to staff RTCs is recognised and could assist in ensuring the ongoing financial viability of an RTC. Costs associated with training staff would be considered a reasonable use of RTC funds – **Rural Transaction Centres**
- DEET-VET's clear role would be to offer advice on appropriate use of VET Training packages. In that context we have identified a role in Field Officer training, customizing existing units from our training packages, and marketed as pre-vocational programs into the financial services industry – **Northern Territory Employment and Training Authority**
- TCU will continue to employ and train Aboriginal people. It continues to have a preference to employing Aboriginal people at branches and Head Office – **Traditional Credit Union**

These responses are encouraging and show the level of awareness and likely participation of key participants in the future strategies and developments of improved banking and financial services to Indigenous communities.

It has been identified that employment opportunities will be in both direct and indirect employment. Whilst RTCs and the TCU may employ people directly in the delivery of banking services the access to capital that these services provide will create even more employment opportunities for Indigenous people in rural and remote situations.

3. Of the possible models outlined which do you believe is likely and why? If none of the models are suitable what is an alternative?

It is clear from respondents that a “hybrid” model is the preferred structure with key stakeholders such as the Traditional Credit Union playing a significant role. It was identified that various Indigenous communities are at different levels of monetization and income levels and that the “Bendigo” models community ownership was an important consideration.

The response from the TIO best sums up the general consensus amongst respondents; *“Your paper raises the possibility of a coordinated approach between TCU and Government funded Rural Transaction Centres. Of the many strategies presented in this discussion paper it is our opinion that this strategy is the most likely to maximize the stated aims of providing sustainable financial services and employment of Indigenous people. If this strategy is coupled with improved education, reliable communication and internet access for remote communities then the opportunities for success will have been greatly advanced” – TIO*

It should be noted that funding for the RTC program concludes in June 2004 and that its ability to facilitate the provision of long-term banking and finance services is limited. The time taken to plan and implement a “hybrid” model may not be sufficient to evaluate the qualitative and quantitative data necessary to establish the key characteristics required for future implementation. However new funding for a pilot may be available from other sources – this will be discussed in more detail in the Recommendation area of this Report.

It is clear that a hybrid model is preferred however all of the participants in this model need to be more clearly identified before a precise model is developed. Consultation is required with Indigenous communities to determine what financial services are

sought and where, as this will determine the likely partners to a hybrid model. The purpose of this project is not to impose a particular model but to gather feedback from stakeholders as a means of future planning.

4. Is a strategic partnership with a major bank possible?

A strategic partnership is possible however with the exception of the Nauiyu Nambiyu Town Council project with the National Australia Bank and Westpac in Alice Springs there is little evidence to suggest that this is likely. Respondents felt that for the improvement in banking and finance services to Indigenous communities to be successful there needed to be a community focus and that the major banks had responsibilities to their own shareholders for significant profitability and these will not be found initially in “community” type banks.

Recognising that the National Australia Bank was the only bank to respond to the Discussion paper and that they have participated in a project with a remote community they make the following salient point ;

“The financial services industry is very competitive, and generates profits from very small margins, generated on massive deposit and lending volumes. It is thus necessary to maintain substantially large volumes of either credit or debit funds in order to cover significant costs, including personnel and infrastructure, to maintain the viability of an outlet. Financial institutions generate comparatively little revenue from funds that flow in and out of an account in a short period of time. Due to the limited number of people living in remote communities it is unlikely that there will be sufficient funds at a community to justify the establishment of a traditional banking service. – National Australia Bank

Whilst this details the pure economics of the situation if a non-traditional banking service i.e. and RTC or electronic banking could be utilized then the economies of scale shift to a point where a major bank may participate to a greater extent. At the same time many Indigenous communities generate significant revenues that could justify the existence of a more traditional branch. The Tiwi Islands for example has an internal economy of approximately \$45 million per annum. They feel that by placing all this revenue through a community owned bank, this could satisfy demand for involvement and participation in identifying and participating in the process of development rather than as the recipients of imposed benevolence. We are not in a position to comment on whether such a level of turnover (\$45 million) would be sufficient to establish a traditional banking service.

One issue raised by current providers to Indigenous communities is that an alliance with a major bank could lead to the loss of independence and flexibility and in the worse case scenario be managed from a Head Office interstate. Any strategic partnership would need to be documented and control processes put in place to avoid this scenario.

5. *Who is likely to fund a wide-scale education program?*

Many respondents believe through the development of the hybrid model, likely funding sources for an education program will be identified i.e. those who are likely to invest in a Hybrid model are also likely to invest in education as part of the success mechanism.. In addition traditional education organisations must play a significant role.

It needs to be stated that there are two distinctive training/ education requirements. Firstly a community wide program to increase the level of understanding of banking and finance to Indigenous communities and secondly the targeted education of people who will work directly in the financial services area.

The Discussion Paper identified education as a significant part of any future planning and development and that there is little hope of success if the products and services are developed in isolation without a suitably developed education program. These programs need to be targeted, marketed and importantly delivered in local language to be most effective.

The Northern Territory Department of Employment, Education and Training must be involved at all levels. At the vocational level the involvement could be through direct relationships to already funded Registered Training Organisations (RTOs), through new apprenticeships, through Flexible Response Funding or Community Response Funding. DEET would prefer to partner with commonwealth agencies and the communities directly.

More discussion regarding education is contained in the Recommendations Section of this Paper.

6. *Are there additional issues that should be considered as part of this project?*

This section allowed respondents to identify any other areas they felt were vital in the future success of banking and finance within Indigenous communities.

Some of the key points were;

- Procedures and processes should be put in place for money to remain in the communities for community development rather than money being lured away for financial returns at the expense of economic and social development.
- The major issue to be addressed is to ensure the transparency and high ethical standards of practice are incorporated into any new system.
- Motivational factors for participating in banking and finance activities need to be explicitly analyzed.
- Banking could play a very significant part in community money management quite apart from any services or support for the individual. Participation in community owned banking could include the operation of a transparent economy that will be fundamental to beneficial outcomes for private and individual, government and community participants.
- It would be very difficult to develop a banking system for remote area communities without some degree of financial support from an organisation such as ATSIC.
- Consideration should be given to consulting with a sample of the Indigenous communities to assist in the determination of their needs and the most appropriate solution.
- The project must ensure that a Territory wide consultation is undertaken and not focussed on the Northern region. Whilst the TCU only operates in northern areas currently this should not be seen to be their strategic position but rather happenstance.

Many of the factors detailed by respondents to the questions outlined above will assist in the development of terms of reference for future planning and implementation as well as part of the recommendations of this Report.

It is important at this stage to identify possible funding organisations and programs that may be able to assist in implementing the recommendations of this report and the on-going funding of this project. The following organisations have been identified at this stage;

1. ATSIC
2. NTACC through Regional Assistance Program (RAP)
3. STEP
4. Foundation for Rural and Regional Renewal (FRRR)
5. Northern Territory University
6. Indigenous Business Australia
7. Major banks and financial institutions
8. Local Government Association of the Northern Territory (LGANT)

Recommendations

The following recommendations are based on the feedback received from the Discussion paper, meetings with the Steering Committee and the Consultants discussions with interest groups. The main recommendation, and basis of Stage Three of this project, is to proceed to the development of a Business Plan – all subsequent recommendations should be considered by a new Steering Committee as part of the larger project.

1/ Business Plan

For this project to proceed, given we have now acknowledged that a new institution is not feasible, a detailed Business Plan for the Hybrid model needs to be developed. It should address the structure of the Hybrid model as well as the product and services mix, financial modeling, cultural issues, logistical and technical requirements including operational and staffing issues, training and education needs as well as establishing key performance indicators.

The responses to the Discussion Paper suggest there is support for Stage 3 provided it involves consultation with stakeholders. The Business Plan would consult with key stakeholders, including regional and remote communities, and provide the framework for the implementation of other recommendations. The consultants engaged to complete the Business Plan should report to a new Steering Committee.

2/ A Steering Committee

A Steering Committee should be created that is representative of the main interest groups, namely, but not limited to;

- ATSIC
- Traditional Credit Union
- Northern Territory Government
- Federal Government
- NTACC
- Community representatives

The Steering Committee should guide and oversee the development of the Business Plan, consult with interest groups across the Northern Territory, ensure the project is on time and on budget and assist in

the development of strategies to proceed to the next stage. The Steering Committee should have territory wide representation including community representatives.

It is proposed to organise a meeting of Executive staff from key interest groups in early 2002 to discuss the project to date, agree to proceed to Business Plan Stage, investigate funding options for the next Stage and who should be represented on the Steering Committee.

In addition this meeting will outline in draft format the recommended required outcomes of the Business Plan.

It is expected that expressions of interest for membership of the Steering Committee will be sought via the print media.

3/ Consultation Groups

Whilst there will be broad coverage of interest groups via the Steering Committee there is still a need for consultation at the regional and remote levels. Some of the groups who should be involved in the consultation include ATSIC, the Land Councils, LGANT and specific regional and remote communities. The remote communities should provide a cross-section of levels of monetarization, represent all major regions and have people prepared to commit to the project.

The Consultants recognize the difficulty in coordinating all of these interest groups but it is imperative that consultation with communities occurs. Different communities are facing different issues with regards banking and finance and a “one size fits all” approach will not be successful.

The establishment of consultation/ reference groups should occur as part of the Business Plan stage.

Via the Steering Committee mechanism there may be scope to create sub committees that are representative of various locations throughout the Northern Territory. As mentioned previously it is important to focus on territory wide groups and not be limited to the northern regions.

4/ Pilot Studies

Once the Business Plan has been developed pilot communities should be selected for test implementation. It is recommended that communities be selected in all major regions of the Territory incorporating the Islands, Arnhemland, Katherine, Tennant Creek/ Barkly and Central Australia.

This provides for the possible identification of regional differences in product and service requirements, levels of education, infrastructure diversity and cultural issues as well as differing sizes of communities.

The outcome of the pilot studies should be the development of a flexible template that can be applied to communities wishing to participate in application of the Hybrid model of banking and finance services.

A time frame needs to be set for the pilot stage so qualitative and quantitative data can be collected to assist in the further development and fine-tuning of the Hybrid model.

5/ Individual business plans for communities

To accelerate the implementation phase communities not selected for the pilot scheme could still be developing Business Plans so that when the model is developed for broader application they already have a plan in place.

It is recommended that the Federal Government assist in funding of these Business Plans through a Trust Fund similar to that of the National Heritage Trust whereby communities apply for funding for the development of Business Plans targeted at improving access to and understanding of banking and finance issues. The Business plan should not be fully funded as it is important that the community commits some funds as part of the “ownership” concept for their community.

This type of funding has been available through the BITS Scheme, which developed business incubators for the IT & C industry, the COMET program and the Farmbiz scheme for the agriculture sector.

Given that each community will have different requirements the Business Plan is seen as vital to establishing a commitment from the community to the project. The Traditional Credit Union is currently developing a checklist that would allow communities to assess the issues they face in becoming part of a banking/branch network.

6/ Indigenous Banking Trust

As mentioned above the potential establishment of a Trust for expansion of banking and finance services is seen as an important part of future developments. Funding should not be limited to the Federal government and contributions should be sought from financial institutions, Indigenous bodies, philanthropic organisations and the like. The Trust should aim to raise substantial funds (over \$5 million) with a view to providing funding support for community development plans, part contributions to education and training and seed funding for pilot studies.

This project is viewed as a 10-year commitment and the funds required to expand banking and finance facilities to Indigenous people will be substantial. Whilst community commitment is required, including financial investment, success will only be achieved through significant funding being made available from other sources.

It is recommended that the establishment of a Trust be investigated as part of the broad strategies of the Business Plan.

7/ Education

Whilst education of Field Officers is likely to be at a later stage the need for increased education to Indigenous communities about fundamental banking and finance should be addressed immediately. Educators need to get together and discuss curriculum, delivery methods and target audiences for improving the general level of understanding of banking.

The Discussion Paper identified young women as a potential target audience and some respondents felt this should be extended to include all women. Consideration needs to be given to issues such as language and cultural issues.

The LATIS project combined with other infrastructure developments may provide a delivery method previously unavailable to remote educators and it is recommended it be included in any education project discussion.

Funding sources for education programs including the training and employment of Field Officers/ Education Officers should form part of the Business Plan.

8/ Awareness of other Indigenous projects and initiatives

As a result of the recent NT Government Economic Summit a number of key initiatives were tabled as part of the Communiqué. Whilst not having a direct influence over this project we feel they should be noted for the benefit of a future Steering Committee.

- The establishment of a forum group with land councils and Aboriginal business people. It is very important that Aboriginal people get the good message about what it is to be involved in commercial development, from those in the Aboriginal community who are currently engaged in business itself. So there needs to be an establishment of a forum with land councils, Aboriginal people, business people, industry and government, to foster and guide indigenous economic development.
- Establishment of an Indigenous Enterprise Unit.
- Development of partnerships and clusters through joint ventures also involving Aboriginal people in essential services.

In addition the involvement of the Minister Assisting the Chief Minister on Indigenous Affairs should be part of the future discussions and forums.

9/ A balanced focus on the services is required

It is important that through the future stages of the project the focus is not only on retail banking services. Whilst there is no doubt there needs to be improved access to retail products for Indigenous people there is also a clear need for them to have better access to commercial finance and banking services.

Through advancements in technology many regional and remote communities now have a means to promote their unique products and services and it is likely there will be significant increases in opportunities for indigenous communities to generate independent revenues.

Whilst ATSIC provides some assistance there is a need for financial institutions to back Indigenous business ventures – this should be thoroughly investigated in the Business Plan stage.

In addition the project must recognise that regional centres are a key participant in this project and not just focus on remote communities. As regional centres are a source of many goods and services to remote communities they are seen as a vital link in the delivery chain.

For this project to be successful there must be people and organisations prepared to commit time and money to the pursuit of providing Indigenous communities with the appropriate banking and finance services. The project needs some clearly established goals and target dates to ensure success and someone prepared to manage the project through to fruition – this should be the outcome of the Business Plan.

We recommend that Stage 3 involve the development of a Business Plan, Stage 4 incorporate pilot communities and Stage 5 be the roll-out of improved, tailored banking and finance services to remote and regional Indigenous communities.

Attached to this Final Report is a copy of the Discussion Paper, a socio-economic impact analysis statement and some modeling on potential employment outcomes.

Discussion Paper

See Attached

Socio - Economic Impact Statement

The ability to provide a full socio-economic impact analysis is beyond the scope of this report however the consultants felt it was relevant to provide some details on the actual impact banking has had on Indigenous communities through examining “real life” occurrences.

When investigating the socio-economic impact of providing increased banking and finance services to Indigenous communities we must look at what benefits have been received from those communities who have branch banking facilities in operation and extrapolate likely benefits to broader communities. In addition the impediments must be identified and noted for future reference.

It is important to look at the social benefits as much as the economic benefits of providing improved banking and finance services as these provide the catalyst for other communities to improve their situation. Some of the data in this analysis is quantitative however the bulk relates to qualitative data supported by studies conducted by the Traditional Credit Union and their external consultants.

The Traditional Credit Union has operated a branch network in the Northern Territory since 1995. It currently operates 7 branches in remote communities and discussions have revealed the following salient points;

- The presence of the TCU in communities has led to a broader understanding of banking and better budgeting and savings practices in these communities. The ability to withdraw money over a fortnight period rather than all at one time has reduced the “feast and Famine” cycle.
- The ability to transfer funds to other family members and pay bills is a distinct advantage in remote communities.
- Because there is a branch in the community there is a sense of ownership and a community spirit. Many community members do not feel that major banks want them but their “own” credit union does.

- A major benefit to community members has been the ability to demonstrate savings patterns and therefor access loans for consumer goods that improve lifestyle i.e. furniture, household goods, cars, boats etc. Members must show three months of savings to qualify.
- A direct economic benefit is the employment of local people in the branches. 15 Indigenous people are employed in branches by TCU that contribute \$300,000 p.a. directly into the communities via wages.
- Employment in the TCU branches is seen as a worthwhile job. People are proud of their positions and are respected in the community. This is important in any expansion strategy in the future.
- The external education qualifications that staff have received (Certificate level) provide a sense of pride in achievement and the ability to work in other areas throughout the community.

The socio-economic benefits to communities are significant and should form a major part of any expansion program analysis. It is noted that all of the TCU communities are located in the Northern region and additional studies and discussions with CAEPR will be required in assessing the potential impact in central Australia.

Potential Employment Outcomes

The table below shows the actual staff employed by TCU in their branch network – further detailed analysis would be required on indirect employment potential in the Business Plan stage.

Community	Direct Employment via Branch Network
Milingimbi	2-3 staff
Galiwinku	3 staff
Maningrida	1-2 staff
Ramingining	4 staff (job share)
Oenpelli	1 permanent 1-2 CDEP
Gapuwiyak	2 staff
Barunga	1 staff and 0.5 CDEP

The above table provides a guide as to the employment potential of expanding the branch network into communities and the direct employment likely. Given that there are in excess of 200 communities of varying sizes that do not have a branch the direct employment potential is significant. A number of important issues need to be identified for further analysis in the Business Plan stage;

- Direct employment only includes those people paid by the TCU and employed within the branch. There may be additional direct employment through Field Officers, Education officers and support staff.

- Indirect employment is extremely difficult to quantify as it will include the potential flow on effects of communities gaining access to capital and therefore the economic development associated with this. This will vary considerably depending on the community and the development opportunities that exist. For example commercial development of horticulture may provide significantly more employment than the development of a small t-shirt manufacturing business.
- Information received from TCU shows that there has been indirect employment benefits via the CDEP program and this may be able to be used as a source of funds for an expansion program that would require more trained staff.
- Based on the above table there is an average of 2.5 positions in each branch in a community of more than 250 people. Given that there are over 75 communities in the Northern Territory with populations greater than 250 (source: Grants Commission) the potential employment when extrapolated is over 185 Indigenous people. This is of significant potential benefit to remote communities and highlights the need for this project to proceed to the next phase.