

Indigenous Enterprise Partnerships Case Study

Economic Development in Aurukun

Background

Aurukun is a community of 1300 people on the west coast of Cape York Peninsula. Aurukun is in a beautiful natural setting, the river system is a rare and pristine environment and the land has considerable natural resources. While this presents some economic opportunities, indigenous people have not been well positioned to take advantage of them. In general the community is instead affected by a heavy dependence on passive welfare and high unemployment (90%). These contribute to significant and well publicised social issues including domestic violence and substance abuse.

A small group of the traditional owners are working hard to overcome this disadvantage, and seeking to break away from welfare dependency. They have started to establish long term, sustainable businesses in Aurukun based on Tourism and Mining.

Objectives

The intent is that these small businesses will provide training opportunities, employment, a sense of purpose and pride for the local people, and opportunities to showcase their culture and connection to country.

In 2004, Aurukun youths were involved in the construction and fitout of a Charterboat the *MV Pikkuw*. Today this operates an eco-cultural tour “**Aurukun Wetland Charters**” (AWC) and a fishing charter “**Aurukun Fishing Charters**”. Despite significant startup and operating costs, the fishing charters are very successful (bookings are oversubscribed in 2008) while one of the challenges is to build the eco-cultural tours, as these tours provide employment for local people.



Aurukun Earthmoving (AE) has been established to take advantage of growing mining activity around Aurukun. It is looking to build the current small operation of earth moving equipment as a source of training, employment and pride for local people.

IEP involvement

Since 2003, secondees from Westpac Banking Corporation, operating through Balkanu Cape York Development Corporation, have supported the development of the houseboat, bringing valuable project management and business planning skills.

In October 2007, two secondees from KPMG with strong financial, analytical and critical thinking skills were seconded to provide financial modelling and cashflow analysis to support the future growth of these businesses.

Achievements to date

Funded by royalties from the Southern Trust, the *MV Pikkuw* is a tribute to the leaders and community of Aurukun. The community has benefited from the successful setup of the houseboat, with employment of local people as guides – bringing some real jobs, and the chance to share their knowledge and culture – an important element of building pride and keeping that culture and connection to traditional country alive. Further, opportunities exist for young people to learn a variety of skills on the houseboat.

Secondees have been delighted to play a strong support role in making this project a reality. The recent secondment has proven equally valuable with development of core deliverables including:

- a monthly financial reporting framework that shows a series of key indicators for AWC and AE's financial performance.
- a feasibility outline for the purchase of a 2nd boat for AWC.
- a Cashflow/Business model spreadsheet to assist with making decisions to purchase machinery for AE.
- an annual budget for AE

These deliverables not only make an immediate impact to these businesses, but also build the capacity of the organisations to sustain and grow their people and operations.

Rogan Weeple, KPMG secondee said: 'I think the work we performed made a profound impact and the assistance we provided was valuable. I wanted to have a meaningful experience, to make a difference in some way, and to learn from this. I had an amazing experience – my expectations were exceeded.'

In addition the secondees helped with development of coastal management plan (developing a strategy for cleanup and protection of the waterways around Aurukun), with presentations to potential funding parties and open discussions around employment contracts, company structure, board memberships, advertising materials and information packs to promote the business.

Recognition of value

Support from IEP partners WBC and KPMG has been highly valued, evidenced in particular by demand for more secondees for longer terms.

Business advisor Tony Varnes commented: 'Having Rogan and Claire has been great – they were culturally sensitive, they were constructive and insightful from day one – and the financial forecasting and business planning work they delivered has already proved valuable to the business.'

