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# INDIGENOUS BUSINESS AUSTRALIA

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MODERN SLAVERY STATEMENT 2021-22

A night sky filled with stars, with a silhouette of a forest at the bottom.

## **ACKNOWLEDGMENT**

IBA pays respect to our Elders past, present and emerging.  
We honour the resilience and continuing connection to country,  
culture and community by all Aboriginal and Torres Strait Islander  
people across Australia. We recognise that the decisions we make  
today will impact the lives of generations to come.

**INDIGENOUS BUSINESS AUSTRALIA:**

OUR VISION IS FOR A NATION IN WHICH ABORIGINAL AND TORRES STRAIT ISLANDER PEOPLE ARE ECONOMICALLY INDEPENDENT AND AN INTEGRAL PART OF THE ECONOMY.



# STATEMENT FROM THE BOARD CHAIR

Indigenous Business Australia (IBA) plays a critical role in enabling Aboriginal and Torres Strait Islander peoples to achieve economic self-determination.

As set out in our enabling legislation, the *Aboriginal and Torres Strait Islander Act 2005*, our purposes are achieved through IBA's single portfolio outcome – to improve wealth acquisition and economic independence of Aboriginal and Torres Strait Islander peoples – via:

- commercial enterprise
- asset acquisition
- access to concessional business and home finance.

Our products and services help customers achieve their dreams of owning a home (in many cases, a family first); starting or growing a business; and investing and growing wealth via investments and asset management.

Aboriginal and Torres Strait Islander people have had a history of economic success since time immemorial. There is evidence that First Nations people operated complex economic systems, regulated by cultural and political institutions, and farmed their land, lived in villages, built houses, harvested cereals and built complex aquaculture systems, including possibly the earliest stone structures in human history.

However we must also acknowledge the 200+ years of displacement and systemic exclusion that Aboriginal and Torres Strait Islander people have endured. We acknowledge the many Aboriginal and Torres Strait Islander peoples who were forced into employment and either underpaid or not paid at all, as recent as the 1970s. These historical injustices have had a compounding impact on our customers and it is the responsibility of organisations like IBA to address the vast gaps between economic prosperity and inter-generational wealth of non-Indigenous and Indigenous Australia.

As we present our third Modern Slavery Statement, we continue our zero-tolerance approach to modern slavery. Noting that whilst we cannot guarantee that our supply chains are completely free of modern slavery risks, we are committed to creating an organisational culture where modern slavery risk mitigation is critical and embedded in our processes and where activities or risks are identified promptly and remediated.

We are pleased to submit our Modern Slavery Statement for the reporting period 1 July 2021 to 30 June 2022, which has been approved by the Board of IBA.



A handwritten signature in black ink, appearing to read 'Eddie Fry'.

**Eddie Fry**  
Chair  
Indigenous Business Australia

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# MODERN SLAVERY IN AUSTRALIA

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Whilst it is commonly thought that slavery was abolished in Australia over a century ago, there is history of enslavement of Aboriginal and Torres Strait Islander peoples, as recent as the 1970s. IBA acknowledges the many Aboriginal and Torres Strait Islander peoples were placed into forced labour and either underpaid or not paid at all. Some State and Territory based governments have attempted to address this historical injustice and have established Stolen Wages reparations schemes.

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## ABOUT IBA

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Indigenous Business Australia (IBA) was established by the *Aboriginal and Torres Strait Islander Act 2005* (ATSI Act). The ATSI Act sets out the purposes, functions and powers of IBA. IBA is a Corporate Commonwealth Entity and its Board is the accountable authority under the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).

Our purposes under Section 146 of the ATSI Act is:

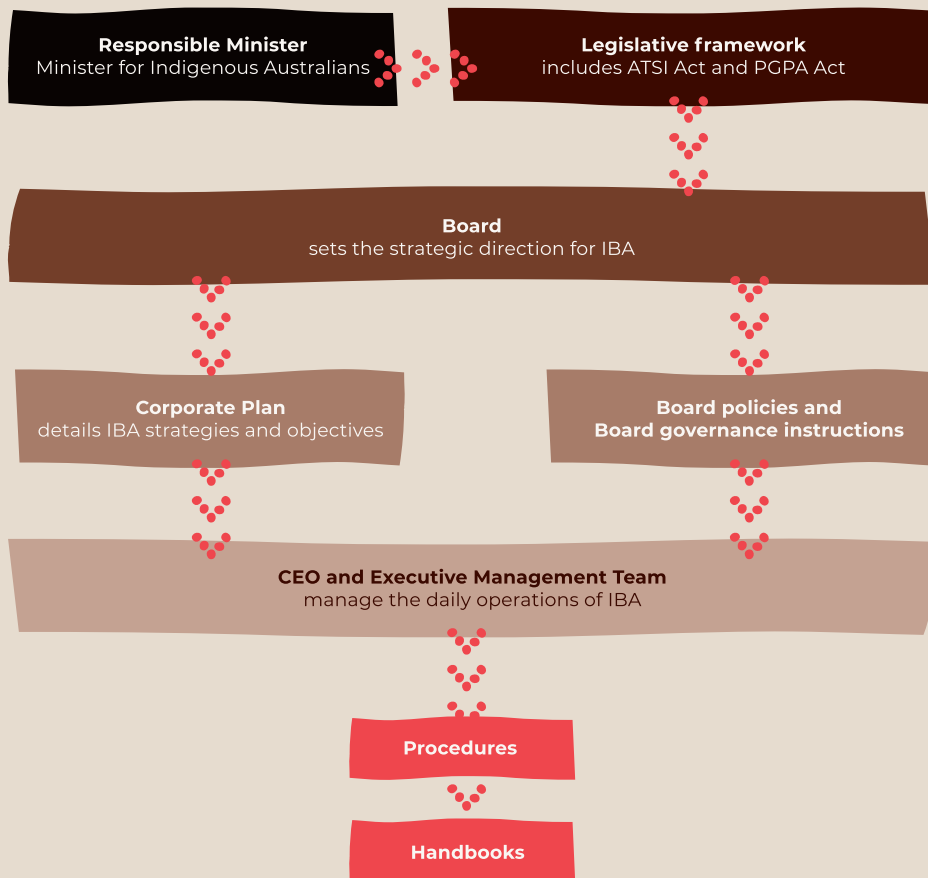
- to assist and enhance Aboriginal and Torres Strait Islander self-management and economic self-sufficiency; and
- to advance the commercial and economic interests of Aboriginal persons and Torres Strait Islanders by accumulating and using a substantial capital asset for the benefit of Aboriginal and Torres Strait Islander people.

Our vision is for a nation where Aboriginal and Torres Strait Islander people are economically independent and an integral part of the economy.

IBA is governed by a Board of Directors and is accountable to the Minister for Indigenous Australians. Our governance structure is designed to ensure that we achieve our objectives in a transparent, accountable and efficient way.

During 2021-22, IBA also had 42 subsidiary entities, with approximately half being operational and undertaking activities related to our Investment and Asset Management program. A list of these subsidiaries can be found in Note 16 in our 2021-22 IBA Annual Report, which specifies the percentage share held by IBA. Not all of IBA's subsidiaries are reporting entities under the *Modern Slavery Act 2018* (Cth). Each subsidiary maintains its own governance structures and operations, independent from IBA.

**Figure 1: IBA governance structure**



# IBA OPERATIONS

IBA has 14 offices across mainland Australia (see Annexure A). In 2021-22 we employed 203 staff across Australia, with 55 being Aboriginal and/or Torres Strait Islander. A further 607 people were employed across our subsidiary entities that are joint ventures, with 154 being Aboriginal and/or Torres Strait Islander.

To deliver our legislative purpose and vision, we operate three programs:

- 1. Home Ownership** – providing concessional home loan opportunities and further support to assist our customers who cannot access home loans from mainstream lenders.
- 2. Business Solutions** – providing business finance, business support services and business development programs to assist our customers start or grow a business or increase their business management and entrepreneurial capabilities; and
- 3. Investments and Asset Management** – undertaking direct investments with Indigenous organisations in sustainable ventures, funds management and specialised investments that provide opportunities for Indigenous organisations to grow wealth and deliver economic, social and cultural impacts in their communities.

In addition to our lending and investment programs, IBA operations include a suite of corporate services including legal, risk, finance, human resources, information technology, communications and strategy and policy teams.

Our subsidiaries manage eight enterprises of which seven are joint venture enterprises with Indigenous organisations, operating in tourism and accommodation services, retail, and renewable and industrial sectors.

IBA and its subsidiaries have minority shareholdings in a further two joint ventures in tourism and accommodation.

IBA subsidiaries and its partners also own three commercial properties as investments, and IBA manages three investment portfolios, the Indigenous Real Estate Investment Trust (I-REIT) and two Indigenous Prosperity Funds (IPF).

**Figure 2: IBA program operations**



# IBA SUPPLY CHAINS

As an organisation that provides financial services and supports to Aboriginal and Torres Strait Islander entrepreneurs, families and entities, our direct supply chain consists primarily of professional services. We procure:

- Professional services: including legal, accounting, auditing, marketing, valuations, and management and consultancy services, both for IBA and to support customers through our Business Solutions Program.
- IT and tech-based or digital platforms, services and supplies.
- Travel.
- Recruitment services and training.
- Office supplies and facilities management: including catering, freight and postage, records management, stationery and consumables.

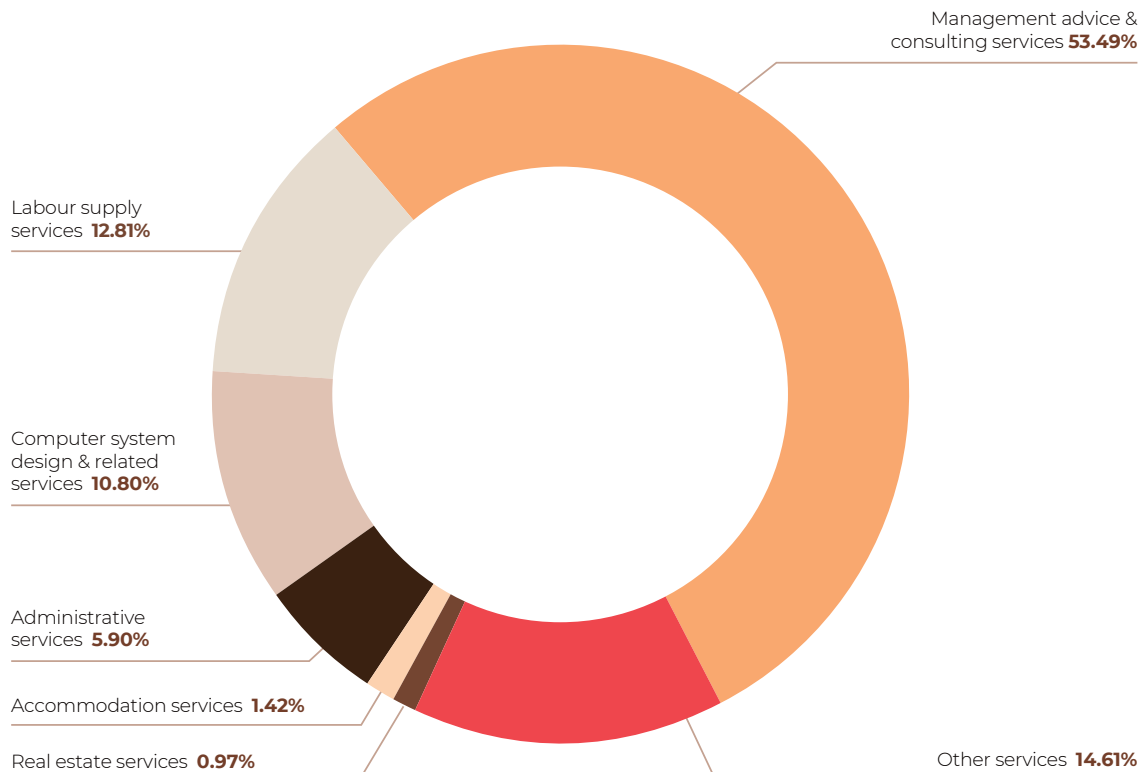
In 2021-22, of the 605 suppliers procured, most tier 1 suppliers were Australian businesses, with 9 suppliers based overseas, specifically in the UK, USA, New Zealand and Europe.

Throughout 2021-22, we procured \$33.8 million, with \$4.2 million of goods and services from Aboriginal and Torres Strait Islander suppliers.

## Key supply chain statistics



Figure 3: IBA supplier categories as a percentage of total \$ spent\*





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# IBA SUBSIDIARY SUPPLY CHAINS

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IBA's subsidiary supply chains vary depending on the nature of the subsidiary's operations. IBA joint ventures are located across Australia and operate in Retail, Tourism and Accommodation and Renewables and Industrial sectors.

**Retail** – suppliers include the provision of food products and groceries, fuel, transport, management and professional services, administration, utilities and communications.

**Tourism and Accommodation** – suppliers include cleaning services, food and beverage suppliers, hotel supplies, event management, tour operators and services, fuel, transport, utilities, communications, management and consultancy services.

**Renewables and Industrial** – suppliers include asset management services, operational and management services, consultancy services and services relating to replacement parts, transport and fuel.

The vast majority of IBA subsidiary tier 1 suppliers in 2021-22 were Australian businesses.



# IDENTIFYING, ASSESSING & ADDRESSING OUR MODERN SLAVERY RISKS

IBA continued to develop processes and embed Modern Slavery mitigation through IBA's Modern Slavery Risk Management Framework.

In line with previous years, we assessed our operations and suppliers against the following key modern slavery risk factors:

-  **products and services**
-  **sectors and industries**
-  **geographic risks**
-  **entities known for modern slavery activities**
-  **other indicators** (such as industries with vulnerable workers, seasonal workers, base or entry-level workers, etc.)

## RISKS IN OPERATIONS

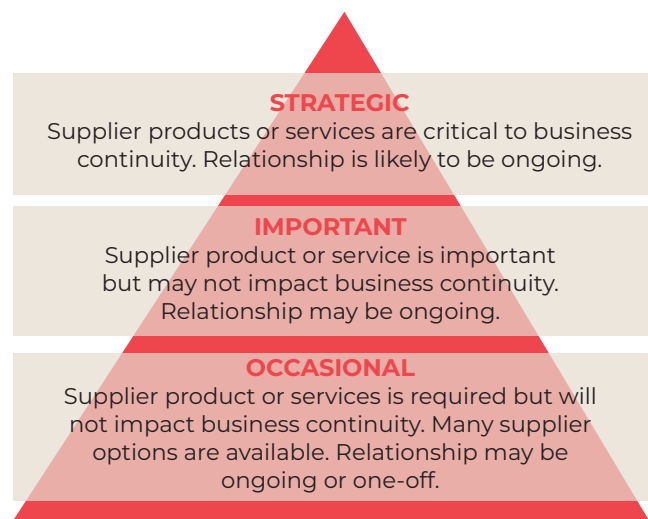
IBA operations predominantly focused on the provision of financial products and support services which were assessed as having a low risk of modern slavery activity. IBA's existing governance structure, risk management practices, support of the United Nations sustainable development goals and employment conditions and employee code of conduct all contribute to an environment and work practices which support and uphold respect for individual human rights.

IBA notes that the Joint Standing Committee on Aboriginal and Torres Strait Islander Affairs is undertaking an inquiry into the application of the United Nations Declaration on the Rights of Indigenous Peoples in Australia. Where applicable, IBA will consider any recommendations or outcomes from the inquiry which may impact its operations and the dignity, rights and wellbeing of First Nations people in Australia and abroad.

## RISKS IN SUPPLY CHAINS

Consistent with previous year's practice, IBA's suppliers are categorised depending on the nature and extent of our business relationship and the products and services provided.

**Figure 4: Supplier categories**



Our risk rating assessment process is based on the modern slavery risk factors and the categories outlined above. In assigning risk ratings, we also adopted the approach of the United Nations Guiding Principles on Business and Human Rights, which sets out that modern slavery risk does not necessarily correlate to the value of expenditure with any individual supplier.

Suppliers we found to have a potential for high modern slavery risks were in information technology supplies and services, facilities management, cleaning and catering services.

In 2021-22 we undertook the following activities and milestones to address modern slavery risks:

- Developed incident reporting and evaluation templates
- Finalised internal training to educate and empower IBA employees to identify, assess and address Modern Slavery risks
- Developed a risk assessment tool tailored for subsidiaries
- Liaised with our subsidiaries to self-assess modern slavery risks
- Reviewed and updated internal IBA risk registers
- Developed templates for supplier questionnaire
- Developed the process for incident reporting and compliance
- Reviewed and currently updating IBA's internal procurement guide to embed Modern Slavery mitigation

Over the next two financial years (FY22-23 and FY23-24) our working group will continue to implement the following roadmap initiatives:

- Continue to review and update risk register and record incidents and any remedial action
- Implement risk assessment process in IBA's Procurement Policy for suppliers and subsidiaries (where appropriate) for new suppliers over \$400K or new suppliers in high-risk industry or geographical areas
- Review any high-risk results from subsidiary questionnaire responses and consult with relevant subsidiary of possible remedial actions
- Issue the annual Statement of Expectations to investment subsidiaries which includes the modern slavery questionnaire for completion
- Conduct and ensure completion of modern slavery risk training module for IBA staff
- Develop and deliver additional in-depth workshop training for staff who will be involved in risk assessments on suppliers and provide further detailed staff training to enable risk identification during customer management and support for remedial action
- Incorporate modern slavery risk awareness for small businesses in business support workshops



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# ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

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As IBA enters our third period of modern slavery reporting, we will continue to include modern slavery risk management and mitigation in our operations and supply chains.

Evaluation and review activities to determine effectiveness of action may include:

- senior management review of activities including regular updates to the relevant IBA governance committees;
- reviewing and updating risk assessment processes;
- engagement with business units;
- engagement with suppliers, including to check how suppliers may be progressing with their own action items;
- engagement with IBA subsidiaries, including to check how subsidiaries may be progressing with their own action items;
- reviewing incident reporting and grievance processes; and
- undertaking an external review and gap analysis of IBA's modern slavery mitigation activities.

We expect to develop these evaluation activities further in 2022-23.

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# CONSULTATION WITH OUR SUBSIDIARIES

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We continue to highlight the need to minimise modern slavery risks in the operations and supply chains of our subsidiaries by including reference to this in IBA's Statement of Expectations which is annually issued to investment subsidiaries. We propose to conduct surveys with selected subsidiaries to further understand potential modern slavery risks and mitigation approaches.

# OUR LOCATIONS

IBA staff work at the following locations across Australia.  
\*Co-located offices are marked with an asterisk.

For more information, visit IBA's website at [iba.gov.au](http://iba.gov.au) or call 1800 107 107.

## AUSTRALIAN CAPITAL TERRITORY

### Canberra

Ngunnawal Country  
Level 2, 15 Lancaster Place  
Majura Park ACT 2609

## NEW SOUTH WALES

### Sydney

Gadigal Country  
Level 21, 66 Goulburn Street  
Sydney NSW 2000

### Coffs Harbour

Gumbaynggirr Country  
140 West High Street  
Coffs Harbour NSW 2450

### Tamworth

Kamilaroi Country  
Suite 6, Shop 7, Atrium Business Centre  
345 Peel Street  
Tamworth NSW 2340

### Wagga Wagga

Wiradjuri Country  
70 Baylis Street  
Wagga Wagga NSW 2650

## NORTHERN TERRITORY

### Darwin\*

Larrakia Country  
Jacana House, Level 4, 39–41 Woods Street  
Darwin NT 0800

### Alice Springs\*

Arrernte Country  
Desert Knowledge Precinct, 475 Stuart Highway  
Alice Springs NT 0871

## QUEENSLAND

### Brisbane

Turrbal and Yuggera Country  
Level 19, 100 Creek Street  
Brisbane QLD 4000

### Cairns

Gimuy Walubara Yidinji Country  
59 McLeod Street  
Cairns QLD 4870

### Townsville

Bindal and Wulgurukaba Country  
Suite 1, Level 2, 520 Flinders Street  
Townsville QLD 4810

## SOUTH AUSTRALIA

### Adelaide

Kurna Country  
Suite 3, Level 3, 33 King William Street  
Adelaide SA 5000

## VICTORIA

### Melbourne

Wurundjeri Country  
Level 10, 460 Bourke Street  
Melbourne VIC 3000

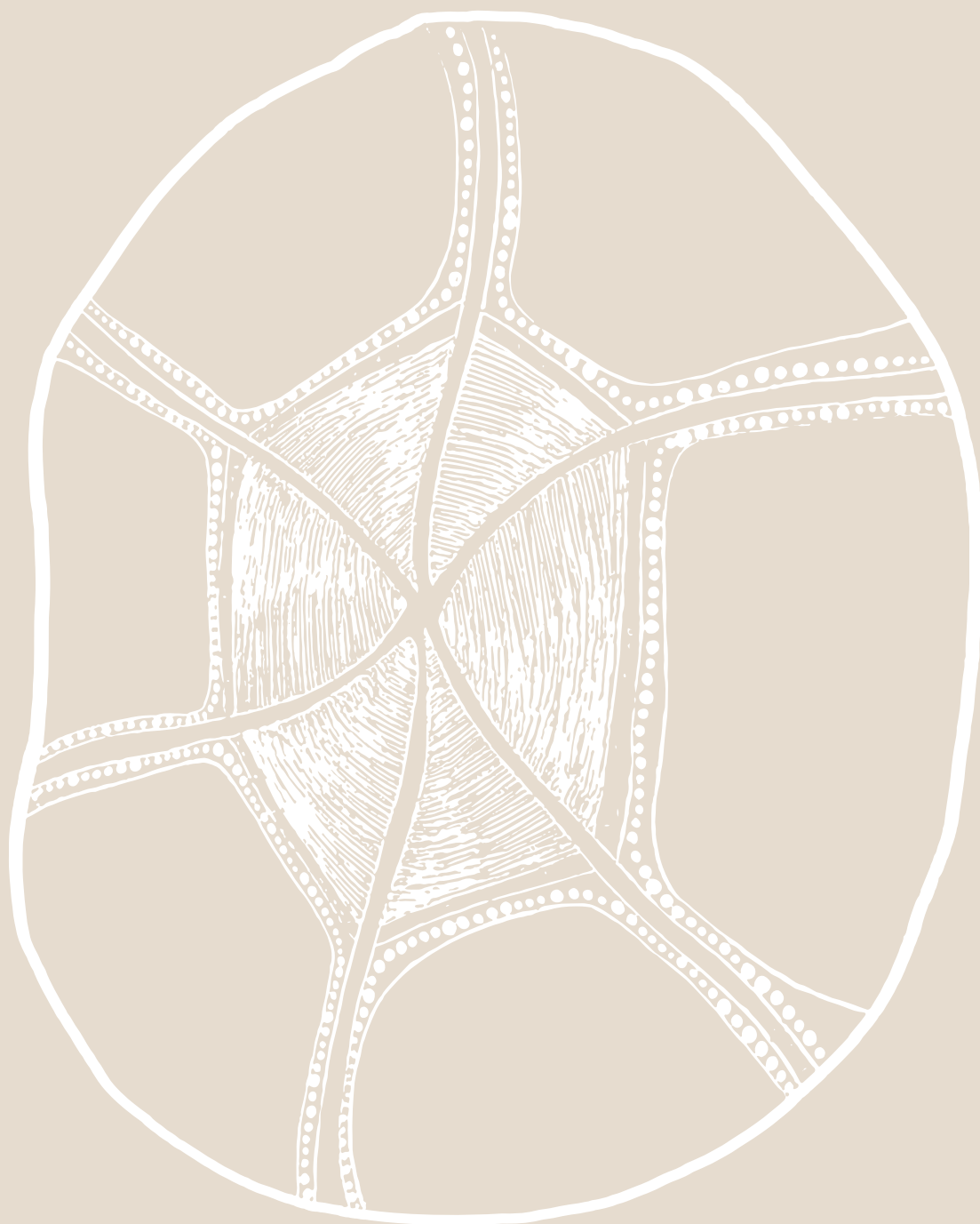
## WESTERN AUSTRALIA

### Broome\*

Yawuru Country  
1 Short Street  
Broome WA 6725

### Perth

Whadjuk Country  
Level 24, 140 St Georges Terrace  
Perth WA 6000



**Australian Government**  
**Indigenous Business Australia**

**1800 107 107**

**iba.gov.au**

