

Reconciliation: The Role of Businesses and Investors

Why does reconciliation matter to businesses and investors?

Reconciliation is about strengthening relationships between Aboriginal and Torres Strait Islander peoples and non-Indigenous peoples, for the benefit of all Australians¹.

Lower levels of social and economic participation of Aboriginal and Torres Strait Islander peoples have resulted in many disadvantages including high levels of unemployment, poor health outcomes, shorter life expectancy than other Australians and high levels of incarceration.

Based on most the recent measurement in the 2022 Closing the Gap Report there is still a seven to eight year gap in life expectancy between Aboriginal and Torres Strait Islander peoples and non-Indigenous peoples, and tertiary completion rates for Aboriginal and Torres Strait Islander peoples are 34% versus 50% for non-Indigenous peoples².

Economic and social advancement at an individual, family and community level is one of the best ways to create the type of opportunities that can deliver genuine, and lasting change.

“In this country, the burden of history falls most heavily on the First Australians. The disadvantage they have suffered for more than two centuries have placed great obstacles in our way. But I also believe that we stand at a moment of great historical possibility.”

The Hon. Kevin Rudd, 2009³

Businesses and investors benefit when the economic ecosystem in which they operate has elevated productivity and prosperity. Increasing economic and social participation for Aboriginal and Torres Strait Islander peoples will help close the gap in life outcomes as well as foster a more productive Australia.

Reconciliation should matter to all businesses and investors.

Voice to Parliament

The most immediate opportunity to support reconciliation is the upcoming referendum on the Voice to Parliament.

In 2017, over 250 Aboriginal and Torres Strait Islander delegates gathered and issued the Uluru Statement from the Heart to the Australian people. It was the product of a series of regional dialogues held across the country and represents the largest consensus of Aboriginal and Torres Strait Islander peoples on a proposal for substantive recognition in Australian history.

By overwhelming consensus, the attendees called for: the establishment of a First Nations Voice enshrined in the Constitution (Voice), the establishment of a Makarrata⁴ Commission to supervise a process of agreement-making between governments and First Nations (Treaty) and truth-telling about our history (Truth).

It was a profound moment of unity in the Indigenous community, and a gift to all Australians who want to work together to find a better future, close the gaps in life outcomes, and, in the words of the Uluru Statement, to reach Makarrata, “a coming together after a struggle”.

The Voice to Parliament is a direct outcome of the Uluru Statement from the Heart. An Indigenous Voice will provide Indigenous Australians with a strong say on legislation, policy and programs that directly impact their communities and their lives.

In 2022, the Australian Government agreed to have a referendum to let Australians decide whether to establish the Voice in the Constitution. This is why Australians are now being asked to vote on it.

On Saturday, 14 October 2023, all eligible Australian citizens aged 18 years and over will vote on whether Australia should change its Constitution to recognise Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia by establishing a body called the Aboriginal and Torres Strait Islander Voice.

It is important for employers to be focused on cultural safety at this time. This should be considered as part of an employer's workplace, health, and safety responsibilities.

Adamantem believe corporate Australia has a significant role to play in educating employees on the upcoming Voice to Parliament referendum to ensure an educated and fully informed decision is made by all Australians. This includes providing simple and objective information about the upcoming referendum – including its background, how the referendum will work, key points from both the “yes” and the “no” case, and some clarification around key myths and misconceptions.

Earlier this year we agreed to the referendum related “opt in” commitments under our Reconciliation Action Plan. These commitments include the education of stakeholders and the circulation of campaign resources to customers, clients, and partners.

We have prepared a ‘Voice to Parliament’ Information Pack which we have shared with our employees and portfolio companies, it includes resources to help educate as many people as possible ahead of the referendum. The Information Pack can be found [here](#).

How can businesses and investors otherwise contribute to reconciliation?

Businesses and investors are pivotal to achieving reconciliation in Australia. It is important to proactively consider how an investment or a business can generate meaningful outcomes for Aboriginal and Torres Strait Islander peoples.

Reconciliation should be considered in the context of an organisation's own operations as well as the Aboriginal and Torres Strait Islander communities it serves and interacts with. This could include, for example, identifying if operations exist on lands subject to Native Title or Aboriginal Land Rights or identifying if free, prior, and informed consent is relevant for a prospective business activity or investment.

Businesses and investors should be mindful and ensure cultural sensitivity is considered closely when developing and executing reconciliation efforts.

There are several ways businesses and investors can contribute to reconciliation, including:

- 1. Establishing a Reconciliation Action Plan (RAP).** A RAP is a framework that guides an organisation on how to develop and strengthen relationships with Aboriginal and Torres Strait Islander peoples. 26% of the ASX 300 have RAPs as of June 2023, up from 18% in June 2022⁵.
- 2. Electing to work with Aboriginal and Torres Strait Islander businesses to grow supply chains.** This could involve reviewing supply chain and procurement practices to foster greater support for Aboriginal and Torres Strait Islander suppliers.
- 3. Creating employment pathways and safe cultural workplaces.** Historic legislation, policies and events have prohibited and excluded Aboriginal and Torres Strait Islander peoples from engaging with the financial system. As such, money and finances, or the Western economy, are often seen as sitting outside how families, communities and Aboriginal and Torres Strait Islander economies operate⁶. Respecting different approaches to economic wealth is important to creating an inclusive workplace.
- 4. Utilising the Board to contribute to reconciliation.** Boards need to learn to competently navigate social issues – irrespective of whether they adopt a position – it is important to dedicate time and have a framework or process for considering how to approach these issues⁷.
- 5. Respecting cultural heritage on operational sites.** Businesses and investors should recognise the cultural, spiritual, and physical connections that Aboriginal and Torres Strait Islander peoples have with land, water, plants, and animals, both tangible and intangible.
- 6. Integrating considerations in the investment decision making process.** Investors should seek to identify relevant Aboriginal and Torres Strait Islander peoples' considerations prior to investment and consider what actions can be taken during the investment period to contribute to reconciliation or other economic or social outcomes for Aboriginal and Torres Strait Islander peoples.
- 7. Establishing and fostering community partnerships.** Such partnerships can increase engagement with Aboriginal and Torres Strait Islander communities who are impacted or have touchpoints with a business or investment.

CASE STUDY: Our contribution to reconciliation

Adamantem has been on a journey since establishment to identify and evolve how we contribute to reconciliation. Our RAP has been integral to determining how we as a business can respond to the issue of reconciliation in Australia.

Our RAP Working Group represents all parts of our organisation. We have found having a RAP has helped establish an effective self-regulation framework that guides Adamantem as a non-Indigenous-led organisation, on the ways in which we can contribute to reconciliation. We have and will continue to integrate our RAP deliverables into business practices, they are not a siloed activity. We feel this is imperative to achieving meaningful and lasting positive outcomes.

Adamantem commenced with a Reflect RAP which allowed us to lay the foundation for meaningful Aboriginal and Torres Strait Islander engagement across our organisations. Key learnings from our Reflect RAP can be found [here](#).

In 2022 we commenced our Innovate RAP to further extend our work. Key progress and deliverables of our RAP journey to date include:

- Developing our guiding principles for future engagement with Aboriginal and Torres Strait Islander peoples.
- Developing an engagement plan to work with Aboriginal and Torres Strait Islander stakeholders and organisations.
- Updating our private equity due diligence framework to integrate Aboriginal and Torres Strait Islander considerations.
- Updating employment policies to reduce barriers to Aboriginal and Torres Strait Islander participation in our workplace.
- Updating procurement policies to include Aboriginal and Torres Strait Islander businesses in our procurement activities.

1 Reconciliation Australia

2 Commonwealth Closing the Gap Report Annual Report 2022

3 Commonwealth Closing the Gap Report Annual Report 2022

4 Makarrata is a Yolngu word describing a process of conflict resolution, peacemaking and justice.

5 Melior Investment Management Impact Report 2023 & 2022

6 ASIC's Indigenous Financial Services Framework, February 2023

7 AICD, Social Issues & the Board: Voice to Parliament, June 2023