Response to Recommendations

Recommendation 1
That the professional bodies feature Aboriginal and Torres Strait Islander images on their student sections of their websites and highlight financial support for gaining a professional qualification. However, in framing this recommendation, it is acknowledged that the recent development of the Indigenous Accountants Australia website has been a very positive step forward.

Indigenous Accountants Australia (IAA) is a joint initiative of CPA Australia and Chartered Accountants Australia New and Zealand. Its dedicated website (www.indigenousaccountants.com.au) is a key tool in the initiative’s armoury for networking with Indigenous students and graduates of accounting and business, employers and Indigenous communities, and raising awareness with the broader public. It features images and videos of Indigenous students, graduates, academics and business people. IAA is featured on the webpages of the two professional accounting bodies with links through to the IAA website. The website complements a suite of social media including Facebook, LinkedIn, Twitter and YouTube.

Advice is provided on the website on the financial support available for gaining a professional designation. CPA Australia offers five scholarships each year for Indigenous graduates of accounting. Chartered Accountants Australia and New Zealand’s Benevolent Foundation offers funding to assist marginalised and disadvantaged Australian studying its Program or other approved courses.

Beyond the professional accounting bodies, scholarships are available to Indigenous students through Government, higher education provider, non-government organisation and corporate initiatives. Where known, these are identified on the IAA website with links provided to take interested users through to the scholarship provider’s website.

While important, identifying sources of financial support is only one of a range of ways that IAA aims to support Indigenous students and graduates of accounting and
business in their journey towards a professional designation and a rewarding career. Other forms of support are identified in the responses to the other recommendations.

**Recommendation 2**

*That as the accounting professional bodies build up their Aboriginal and Torres Strait Islander staffing (there were three in place at the time of preparing this report), a strategic objective be to analysed in detail, and learn from, the strategies undertaken by other Australian professional bodies in attracting Aboriginal and Torres Strait Islander peoples.*

The number of Relationship Managers employed as joint resources of the two professional accounting bodies dedicated to IAA has grown from one to three in as many years. All three are proud Indigenous people and are profiled on the IAA website. By evolving our recruitment strategies and utilising our growing networks we have been fortunate to attract motivated, high quality, well regarded employees passionate about making a difference.

Our Relationship Managers are assisting the human resource areas of both bodies to support the cultural diversity and inclusion policies of our workplaces and the development of a CPA Australia’s Reconciliation Action Plan.

We continue to look at and learn from the practices and initiatives of other professions, notably law and medicine.

**Recommendation 3**

*That, while acknowledging some good pro bono work is being done by some organisations, accounting firms, universities and employers be encouraged to take on some pro bono work to assist Aboriginal and Torres Strait Islander organisations in dealing with financial and corporate governance matters and in providing such pro bono professional advice, build trust between the Indigenous and non-Indigenous communities in commercial and business matters.*

Many organisations are already active in this space. For instance, through MoneySmart and other initiatives, the Australian Security and Investment Commission
(ASIC) actively promotes Indigenous financial literacy. Many of the major banks (Commonwealth Bank Foundation, ANZ and nab and the Big 4 accounting firms) have initiatives to build the financial skills of Indigenous persons and businesses.

Both professional accounting bodies are also active in promoting financial literacy and, where there are links to the financial and commercial literacy of Indigenous people and organisations, IAA has played a role. For instance, one of our Relationship Managers was a presenter and active participant at a workshop jointly convened by CPA Australia, the Northern Territory Government and ASIC in December 2014. The objective of the workshop was to examine best practice in programs designed to improve the financial wellbeing of Indigenous Australians. We are currently working with ORIC to develop a helpline.

**Recommendation 4**

*That the professional bodies engage in dialogue with the accounting firms offering Reconciliation Action Plans (RAPs) to facilitate a discussion of the issues and opportunities for the profession to develop a comprehensive approach that is not competitive, but one that addresses the issue at a national level, and that targets Aboriginal and Torres Strait Islander organisations where hands-on training by accounting firms, VET providers and Higher Education institutions can have an impact on lifting literacy levels.*

If an accounting or other firm has a RAP this provides a powerful indication that it is an organisation that the IAA may wish to form an alliance with. Other considerations are also relevant, including the availability of roles for Indigenous graduates of accounting. Engaging with priority employers, for the purposes of advancing complementary outcomes, is a growing focus of IAA, which is reflected in our Business Plan.

**Recommendation 5**

*While there are some scholarships and support to assist Aboriginal and Torres Strait Islander students to qualify in professional examinations, it is arguably appears to be an ad hoc approach rather than one that proactively seeks out and supports such
students and it is recommended that more attention is given to ensure that outcomes are achieved against set targets.

As outlined above, both professional bodies offer scholarships and funding to support Indigenous Australians studying towards their professional accounting designation. The uptake of both has, however, been wanting. This is despite the awareness raising efforts of the IAA Relationship Managers, and pushing these opportunities through social and other media. Both bodies are reviewing their offerings for the purpose of having greater outreach and impact.

It should also be noted that there are many scholarships are offered currently but not applied for. It would seem that either demand is not as high as supply or awareness is lacking and more may need to be done.

All relevant opportunities – government, business, higher education providers and our own – that we are aware of, are identified on the IAA website with links provided for those interested in finding out more.

**Recommendation 6**

*That the accounting bodies jointly develop a strategy that targets Indigenous Centres at universities, to promote accounting as a desirable major in business studies courses for Aboriginal and Torres Strait Islander students and work with educational institutions to ensure that culturally sensitivities are recognized and provided for in their commerce programs.*

IAA is ramping up its engagement with Indigenous Centres at universities. The engagement involves our Relationship Managers promoting accounting as a desirable major in business studies courses for Aboriginal and Torres Strait Islander students and work.

IAA supports Indigenous Centres in encouraging culturally sensitivities to be recognised and provided for in their respective educational institutions commerce programs.
**Recommendation 7**
That government authorities responsible for requiring more accountability for funding of Indigenous organisations should ensure that any financial literacy training programs they support should provide information that is readily accessible and understandable.

The professional bodies agree with and support this recommendation.

**Recommendation 8**
That in consultation with Indigenous organisations, the professional bodies develop and fund a school visitation program for secondary schools that enrol Aboriginal and Torres Strait Islander students, using qualified Indigenous accountants as role models to explain and promote the opportunities in the accounting profession as one that can re-empower Aboriginal and Torres Strait Islander peoples.

IAA has sought to connect with school aged Indigenous students by:

- hosting events that connect students with employers: in 2014 we have hosted a Big Day in Business for Indigenous high school students in ACT, and held a similar event in Melbourne, in conjunction with La Trobe University;
- developing and making available video and other content through YouTube, its website and other social media channels that, through story telling, promote further study and careers in accounting; and
- connecting with others who have reach into schools, such as universities, Business Educators Australasia (the peak body for commerce teachers in Australia’s schools), and relevant Indigenous bodies.

However, these activities and initiatives are ancillary to what IAA regards to be its priority focus given its scarce resources. Statistics collected by IAA demonstrate that while a significant number of Indigenous students may commence studies in accounting or business, only a small handful see these studies through to the end. For this reason we have prioritised supporting these students.
If IAA is successful in securing additional government or third party funding, our ambition is to make engagement with Indigenous school students an explicit part of our core activities.

**Recommendation 9**

*That the professional bodies investigate, in consultation with its Advisory Committee for the Indigenous Accountants Australia Project, ways and means that supplementary materials and mentoring support can be offered to any Indigenous students they identify as undertaking their professional qualifications program.*

A resource will be made available on the IAA website, promoted through our social media channels, and used and shared with Indigenous students and graduates, that identifies the different pathways towards, and the benefits of, a professional designation with either CPA Australia or Chartered Accountants Australia and New Zealand.

A mentoring program to be offered under the IAA is under development. The intention is to draw upon examples of what works and refine them to the needs of Indigenous students and graduates of accounting. The insights and assistance of IAA’s Advisory Committee will inform its development and implementation. The program will be piloted and further refined before rolling it out more broadly.

**Recommendation 10**

*That the professional bodies, in consultation with the accounting firms with RAP plans and training providers, survey Aboriginal and Torres Strait Islander organisations to determine where training and mentoring support is needed for Aboriginal and Torres Strait Islander book-keepers, and develop programs and funding to implement such programs.*

To inform business planning and all forms of support provided under IAA, the intention is to ask Indigenous students and graduates of accounting and business for their views on what support could be meaningfully provided. Some feedback has already been solicited through focus group discussions.
**Recommendation 11**

That a program be developed by the professional bodies that provides readily available cultural training for accounting staff who work in the financial management or auditing of Aboriginal and Torres Strait Islander organisations.

Raising cultural awareness within the professional bodies is our immediate focus.

IAA has an interest in ensuring that priority employers are culturally aware and safe. While, given our limited resources, training will not be directly provided under IAA, our Relationship Managers can assist employers to find the required cultural awareness training providers in their region.

**Recommendation 12**

That flexibility be used to incorporate into the professional development expectations of the professional bodies, community work that Aboriginal and Torres Strait Islander members undertake in supporting Aboriginal and Torres Strait Islander organisations and their community on financial and governance matters, for the purpose of meeting professional development obligations.

There is significant flexibility in what may be counted towards the professional development of professional accountants with both CPA and CA designations. Working with Indigenous communities on financial and governance matters will likely count towards fulfilling obligations.

**Recommendation 13**

That the accounting bodies take a leadership position and develop Reconciliation Action Plans (RAPs) and encourage accounting firms and other business corporations to do likewise.

Developing a RAP is on CPA Australia’s workplan. It will contribute to and complement CPA Australia’s broader Organisational Diversity and Inclusion Policy. An important first step for CPA Australia is raising the cultural awareness of its staff and safety of its workplace.
A RAP is not currently underway by the Chartered Accountants Australia and New Zealand as it is focussed on delivering the new entity’s outcomes. However once achieved Chartered Accountants Australia and New Zealand will be putting in place a Diversity and Inclusion strategy, which will include a focus on Indigenous Australians and Maori.

**Recommendation 14**

*That as part of their Indigenous Accountants Australia Project, the professional bodies facilitate opportunities for managers of RAP plans in the accounting firms to meet and exchange ideas and successes on a regular basis, as a means of supporting and connecting with the Indigenous Accountants Australia Project.*

Some strong networks already exist. For example, in South Australia Chartered Accountants Australia New Zealand is involved in a ‘Cluster’ initiative which brings business and state government interests together to develop and promote initiatives to advance outcomes for the State’s Indigenous population. Additionally, there is an Indigenous Financial Services Network (IFSN), and Business Council of Australia’s Business Indigenous Network. The IAA’s first port of call is to uncover and tap these networks to further mutual interests as appropriate.

Where gaps are identified IAA has been active in facilitating networks and other opportunities designed to address them. IAA has, for example, facilitated employer discussions and networks in Brisbane. We are currently examining the options within Brisbane. We seek to not only engage just accounting firms with RAP’s, but be inclusive of any organisation that seeks support to increase the number of Indigenous accountants they employ.

**Recommendation 15**

*That given the urgent need to make some real progress in eliminating the virtual exclusion of Aboriginal and Torres Strait Islander peoples from the accounting profession, the professional bodies develop and provide adequate funding and commitment for an ongoing strategic plan that supports the recommendations above and other initiatives that evolve, and which will ensure a sizeable shift in the current*
miniscule pace with which Aboriginal and Torres Strait Islander peoples are currently being provided with opportunities to become professionally qualified accountants.

The professional accounting bodies have increased the resources they contribute towards IAA, and have strengthened their commitment to ensuring IAA’s ongoing sustainability. CPA Australia and Chartered Accountants Australia and New Zealand have made up the funding shortfall created through ceased Government funding.

To support the long term viability and growth of IAA we continue to seek Government and third party support, such as corporate philanthropy. Both CPA Australia and Chartered Accountants Australia and New Zealand recognise, through the IAA Project, that an increase in the number of Indigenous accountants will not be an overnight solution, rather a generational change.

The IAA Advisory Committee provides insights from Indigenous communities, business, academia and the accounting profession to assist in the ongoing development and refinement of strategies to redress the virtual exclusion of Indigenous Australians from the accounting profession.