

Addition to Productivity Paper 108 – The Potential for Targeted Accounting Programs tailored for Indigenous Australians

This Paper is an Addition to Paper 108 and concentrates on detailing possible next steps in addressing this critical issue within the VET workforce.

Summary of Next Steps

Stage 1 – Raise Awareness and Mobilise

1.1 Professional Accounting Bodies Raise Awareness and Mobilise

Stage 2 – Connect and Develop Understanding

2.1 Major Research Study

2.2 Professional Bodies and University/TAFE faculties and the VET workforce use their independence and mobility to develop targeted initiatives

Stage 3 – Formal development of strategies, targets and mechanisms for future growth

.....while at the same time remembering that until we reach a point where Indigenous Youth are enrolling in Accounting courses, our real journey has not begun.

Stage 1 – Mobilise and Raise Awareness

1.1 Professional Accounting bodies raise awareness

The first step is to ensure that the 150,000 Accountants in Australia understand that they are working in a profession that currently excludes our Indigenous Population (bar nine resilient individuals). Raising awareness of this fact is the first step. Generating a desire for understanding and action for increasing the number of Indigenous Australians within the Accounting Profession is the next.

Unless the Accounting Profession undergoes a period of reflection, with a search for understanding, the growth of Indigenous Membership will not eventuate. This requires strong leadership from the major Professional Accounting bodies.

Leadership on this issue that is transparent, engaging and inclusive of the membership base of these bodies is critical to changing the long standing and current situation which leaves us with less than 10 Indigenous Australians * who have qualified as Accountants.

The major Professional Accounting bodies across Australia have a responsibility to play a pro-active role in providing this sort of leadership...we cannot change the past but we are responsible for the present and the future. I myself, am a CPA and member of CPA Australia and believe I am part of the problem but can be part of the solution as well.

Specific, practical, small steps CPA Australia could take in this phase of Raising Awareness and Mobilisation are:

- a. Connect with existing Indigenous Businesses. The most appropriate way to do this is via the mechanism established by the Federal Government for just this purpose - join the Australian Indigenous Minority Supplier Council (AIMSC). This is the Federal Government body set up to encourage Corporates to use accredited Indigenous businesses. This is a key step as it would provide opportunity for broad, deep and lasting connections between CPA Australia and prospering Indigenous businesses.

I have a website, 'Indigenous Accountants Rock.com.au' and I routinely receive phone calls from 1 of the 5,000 existing prosperous Indigenous Businesses in Australia or other businesses enquiring about Indigenous Accountants. Repeatedly I am asked if I can direct the caller to an Indigenous Accountant....statistically I should be able to as there should be 3,692 Indigenous Australian Accountants today...unfortunately there are only 9 and I can never help any of my repeated callers. The key point from this anecdote is that although the Accounting Profession has not been able to develop appropriate Vocational and Education Training programs in Accounting to meet the needs of Indigenous Australia, there has been growing Indigenous Business prosperity.

The capability for Indigenous Australians to be Accountants has never been in question and is further evidenced today by the growing numbers at University in other courses – primarily Law, Medicine and others. The demand exists, as is evidenced by the phone-calls I regularly receive. However, tailored programs have not been developed across the VET workforce to deliver the supply in Accounting. A key first step for all of the Accounting Bodies, such as CPA and the VET workforce, is to connect in with Indigenous Business via AIMSC

- b. Raise awareness within the large CPA membership base of the current predicament. Some simple steps to do this would be :
 - set up an Indigenous page within the CPA website to use as a portal for status, stories, ideas and communication
 - devote a periodic half or full page to Indigenous Australia in CPA Magazine'In The Black' - again mixture of stories re Indigenous Leaders, what other Corporates are doing, asking for feedback from members)
- c. CPA to encourage and develop meaningful relationships with Indigenous Leaders in the Business and Employment fields. Beginning now, development of strong relationships and connections with a range of Indigenous Leaders is critical in ensuring broad and deep understanding in this critical first stage.
- d. Produce video material highlighting the 'life stories' of Indigenous Business leaders or similar videos involving some or all of the 9 Indigenous Australians who have qualified as Accountants
- e. Highlight Indigenous Community Service opportunities to the membership base and encourage involvement and explain benefits that will flow to both Indigenous Australia and to the members themselves eg connect with the Office of The Registrar of Indigenous Corporations and Indigenous Community Volunteers and encourage CPAs to become Non Executive Board Members of Indigenous organisations.

I am a member of the CPA Australia, hence I have suggested steps above pertinent to that body. Firstly, I would say that the other major Professional Accounting bodies such as the Institute of Chartered Accountants, the National Institute of Chartered Accountants and the Accounting Faculties within each University and TAFE and the VET workforce across Australia need to reflect and embark on their own program of practical endeavors to raise awareness within its members and/or student bodies or workforces.

The second point I would make is that the points suggested above may not be the perfect solution. However, we should not be delaying and aiming for perfection at this point. The real insights and opportunity for quantum change will come through a detailed, co-ordinated Research phase involving a broad range of stakeholders.

I think it is critical however that while the Major Research suggested below is completed that all of the different Accounting bodies and the VET workforce publically and transparently acknowledge the issue with their members/students and 'light the flame' for ongoing action. This will be a long journey and it is important small steps are made continually from this point forward....in my case my Professional Body is celebrating its strong and prosperous 125 year history....CPA is one of the largest Professional bodies in the World.....making small steps now to engage with the potential that exists in its membership base is crucial....if we wait until we cross the T's and dot the I's it may well be another 125 years before the first practical step is taken.

Step 2 Connect and Develop Understanding

2.1 Conduct Major Research Program

The Research Paper completed by Deakin University * suggests 4 barriers that require further research and need to be overcome:

- Education barriers
- Image of the Accountant
- Provision of appropriate role models and support
- Community Service

The Deakin findings should provide the framework for a new Major Research Program. The possibility of findings that have relevance beyond Accounting and the VET workforce should also be considered. This Major Study would be an inclusive, robust, study that has the needs of Indigenous Youth at the forefront. The starting point could be gathering insight from a selection of the 5,000 Indigenous Youth currently studying at University to understand why Accounting was not their preferred choice. These findings could be combined with input from Indigenous kids at High School. Let's hear from and capture insights from Indigenous Youth:

- What are the education barriers, how does the image of an Accountant need to be made relevant to an Indigenous girl or boy in Year 9 ?
- How do we connect young Indigenous Role models of University age to High School kids and at the same time 'break' the connection of Accounting being something outside their world ?
- Develop a better understanding of how Indigenous community service has implications for the VET workforce so that programs can be tailored for success

The Research should also formally connect back to each of the various Accounting bodies, Universities and TAFE and the VET workforce. A process should be established so that these bodies can share their insights as contributions to this major body of Research.

2.2 Major Professional Accounting bodies and Accounting Faculties at University and TAFE and the VET workforce use their independence and mobility to develop their own programs

The following types of initiatives should be driven, funded and undertaken with the assistance of Government and Corporate Sponsorship:

- Accounting booths at Koori Career Days
- Indigenous Events at member and student events, conference and training and Congress events
- Pilot High School Programs where Members of Professional Accounting bodies, University and TAFE students, or recent graduates talk to Indigenous Youth about options and opportunities created by a career with Accounting skills. A key point is that Accounting skills can be a stepping stone to a position of influence in a role beyond well beyond Accounting itself.
- Work with Indigenous Employment Agencies and Organisations to connect with talented youth either within the University stream already or working within Indigenous businesses. Informal connections may provide an initial 'best pathway' to the identification of students who may be suitable and interested candidates for a career in Finance and Accounting.
- What can the Accounting Professional bodies and the broader VET workforce do to enshrine Community Service to Indigenous Australia as a responsibility of membership or accreditation?

Stage 3 - Formal Development of Targets and Strategies - perhaps 18 months

from now

Stage 3 would bring together the people, insights, connections and progress made through the Awareness of Stage 1 and the Understanding and built in Stage 2. This may well be 18 months from now, but in the context of taking 200 years to reach this deplorable position, it is a small wait.

Key Targets to be monitored for levels and growth to gauge success could include:

- Number of Indigenous Youth studying 3 Unit Maths at High School
- Number of Indigenous Youth enrolled in Finance and Accounting courses
- Number of Indigenous Youth who complete Finance and Accounting courses each year

Provision of Services such as Mentoring during the transition phase from University to Work and the best way this should be delivered should also be an important part of this final Strategy Phase.

I would expect formulation of a 20 Year Framework with specific programs for Years 1 and 5 that build on the insights gained and confirm the 'strategic direction' and accountabilities (for funding, support and personnel) by

- Federal Government
- State and Local Governments
- Indigenous Businesses
- Indigenous Communities
- Universities and TAFEs across Australia
- Professional Accounting bodies
- Corporate Australia
- Other interested persons and bodies

As stated in Part 1 of this Paper (Paper 108) this is a journey that requires ‘urgent patience’. As one individual who is part of the problem and part of the solution, I certainly would welcome the opportunity to speak with the Productivity Commission about the next steps, which I see as follows.

The Professional Accounting bodies and leaders within the VET workforce have a responsibility to ‘light the flame’ now and make small practical steps. This needs to be followed by a well funded, inclusive Research program that is driven by the needs of Young Indigenous Australians. Finally this will ultimately, require strong intestinal fortitude from leaders across Educational and Vocational sectors to ensure appropriate funding and focus is provided so that our growing Indigenous Population has equal opportunity for the strength and personal and cultural growth that comes through navigating a modern world with a tool-kit of strong financial skills and understanding.

Adrian Williams, CPA, March 2011

*Lombardi, L. & Clayton B. (2006), 'Indigenous Australian Accountants: Why so few? A Historical and Cultural Perspective', Global Business & Economics Anthology, Vol. 1, pp.63-74.