

Chair Professor Eleanor Bourke AM, and the Yoorrook Justice Commissioners, thank you for the invitation to testify and make a submission. I also extend my gratitude to you all for your relentless efforts in addressing historic injustices that continue to affect First Nations families.

My name is Adam Davids. I'm an Aboriginal man, descendant of the Wiradjuri people, and the Founder of First Nations Equity Partners: a pioneering company dedicated to addressing Indigenous representation in ASX 200 company leadership and their associated barriers and opportunities. I also serve as a non-executive director with CareerTrackers and Social Ventures Australia.

I am the product of a proud Aboriginal woman from NSW, whose life's work has been dedicated to social progress, supporting vulnerable First Nations families in urban and regional areas, and helping our communities' most socially and economically deprived. This foundation forms the essence of my early training, my conviction to community, and my dedication to enhancing the social and economic mobility of our people.

I submit one core message: First Nations representation in the highest echelons of corporate and community leadership is critically lacking, epitomising Australia's social and economic divide. This issue spans virtually all industries and demands a strategic response from the corporate, academic, government, philanthropic, and NGO sectors.

I believe that First Nations communities can and must also prioritise and celebrate the advancement of Indigenous professionals, managers and executives as the evidence insists is crucial for improving the social and economic wellbeing of our communities. I also believe that through our active engagement in this way - Australian society can mutually benefit from the untapped talent, cultures, and wisdom of our people.

First Nations Underrepresentation in Leadership

Despite the clear benefits of diverse and inclusive leadership, the data on First Nations representation across Australia is sobering. A 2018 Human Rights Commission report identified a mere 0.4% of executive positions in Australia were held by First Nations people and a 2021 study by Queensland University of Technology found only 1 out of 5,000 ASX Board Directors are Indigenous (0.0002%). Currently, there has only been one Indigenous Australian on the board of an ASX 200 company and none in the most senior level executive team.

This underrepresentation is partly due to the fact that First Nations people are half as likely to work in professional and managerial positions, as reported by the Centre of Aboriginal Economic Policy

Research. Without addressing this root cause and implementing systemic change, the volume of First Nations leaders in the future, especially in mainstream institutions, will remain limited. This lack of representation not only deprives our leadership of diverse perspectives but also signals to younger generations that such positions may be out of reach, perpetuating a cycle of exclusion.

These figures not only highlight a significant gap but also underscore the urgency for a multi-faceted strategic intervention to cultivate First Nations leadership within Australia's economic landscape.

The Social and Economic Divide

First Nations peoples face economic disparities driven in part by lower rates of engagement in professional, managerial and executive roles, highlighted by a wage gap where they earn 67 cents for every dollar versus non-Indigenous Australians (ABS, 2021). These disparities extend to wealth, with First Nations people holding about 50% less in superannuation (First Nations Foundation, 2024) and a 42% homeownership rate compared to 67% for the broader population (AIHW, 2021).

These disparities do more than highlight economic inequality; they perpetuate a cycle of social exclusion and limit the potential for First Nations communities to thrive.

In sectors offering higher wages and career progression, First Nations representation is alarmingly low. For instance, their participation rates in Professional, Scientific, and Technical Services stand at 3.11% compared to 7.26% for their non-Indigenous counterparts; in the Financial and Insurance Industry, it's 1.54% versus 3.6%; and in managerial roles, 7.3% compared to 13.2% for non-Indigenous Australians (ABS, 2016).

Conversely, First Nations peoples are overrepresented in lower-paying, less advancement-prone roles. Specifically, they account for 15.6% of Labourers compared to 9.3% for non-Indigenous Australians, and 17.1% of Community and Personal Service Workers compared to 10.9% for their non-Indigenous counterparts. These disparities not only shed light on the urgent need for targeted initiatives to boost First Nations representation in higher-paying, career-advancing areas but also highlight the necessity of addressing this gap as a crucial component of a long-term strategy to elevate First Nations representation at all levels of leadership.

Tertiary Education and Professional Excellence

The path to professional employment and executive leadership for First Nations people is fraught with challenges, starting from education. Despite our potential, First Nations students face

underrepresentation in universities and higher attrition rates, with a completion rate of just 47% compared to 74% for non-Indigenous students (Universities Australia, 2021).

The fields of study for First Nations university students also diverge significantly, with an inclination towards society and culture (32%), health (20.8%), and education (12%), and less towards areas traditionally associated with leadership tracks, such as management, commerce (10.1%), natural and physical sciences (5.5%) and engineering (2.5%). Universities should partner with programs aimed at encouraging First Nations students to enter and excel in underrepresented fields, bridging the gap between education and leadership opportunities.

Building on the foundation of the educational and career pathways available, programs like CareerTrackers and Universities Indigenous Higher Education Units stand out as beacons of progress. Operating across nearly every university campus, together they must play the crucial role in providing support, inspiring academic and professional excellence and entry into a workforce where they can obtain the sponsorship needed to advance.

In the case of CareerTrackers, the program has created more than 8,400 internship opportunities to date and according to its 2018 impact report 89% of its university student participants graduate university. Some of whom have become among the first Indigenous graduates to work in nationally and globally recognised brands like CBA, Qantas, Apple and NASA.

CareerTrackers graduates were also found in its 2018 report to have a median weekly income of \$1,192 compared to all Australians (\$662) and Indigenous Australians (\$441). As a result of the internship opportunities created by the program and complemented by its leadership training and dedicated staff, 95% of CareerTrackers participants entered into full-time professional employment within three months of graduating compared to 69% of Australian university graduates.

While these initiatives mark significant progress, the gap in tertiary education attainment and subsequent professional success remains a barrier. Strengthening and expanding such programs is essential to bridging this divide.

To address these challenges, I propose the following targeted actions:

- Investment in universities to promote First Nations access, retention, engagement and progression into professional careers with targeted strategies to address disparities in high demand fields.

- Increase engagement and alignment with Indigenous community leaders, university leaders and impactful programs such as CareerTrackers and Universities Indigenous Higher Education Units with a focus on developing First Nations industry professionals.
- Higher university student engagement in CareerTrackers and internship opportunities to gain access to meaningful opportunities and leadership development to prepare for the workforce.
- Secure the continuation of the NIAA's [Indigenous Cadetship Support](#) program ensuring it provides comprehensive support for First Nations university students engaged in professional work experience for at least the next 10-years.
- Promote community-endorsed initiatives to increase high school completion rates and smooth transitions to tertiary education, emphasising areas of future leadership demand in professional areas.

Leadership and Accountability

The evidence is clear. First Nations people currently do not hold equal professional standing in Australian society and the economy. Despite this challenge there is no cohesive strategy, policy or approach by governments, employers or peak bodies that incentivises progress towards First Nations representation in leadership. State and Federal Government's do have social procurement policies that incentivise contractors on public works that employ Indigenous Australians, however, the rewards are the same whether the employees are blue or white collar workers.

Foundational initiatives such as CareerTrackers and Reconciliation Action Plans provide an unparalleled mechanism for employers to invite accountability with their stakeholders and create meaningful pathways for First Nations professionals to kick start their career. However, further leadership, commitment and accountability is required to address relevant underlying systemic root causes such as First Nations pay gaps, disparities on career progression and disclosures on First Nations leadership representation at board and executive levels. For example, an independent First Nations Leadership Accountability Framework could be established, mandating annual reporting from corporations and government bodies on First Nations representation and pay equity, ensuring transparency and progress.

To address these challenges, I propose the following targeted actions:

- Introduce Closing the Gap measures and targets for First Nations professionals and representation in leadership. Supporting programs, such as CareerTrackers now with a large Alumni community developed over 15 years.
- Introduce a federal government policy setting to identify and address First Nations representation in leadership and pay gap disparities.
- Revision of government social procurement policies to recognise and promote First Nations representation in professional and leadership positions with contractors.

Board and Executive Recruitment & Disclosures

The process of selecting board members and executives within large employers tends to rely on existing networks and search processes favour candidates within existing circles. This practice can exclude First Nations individuals, who are less likely to be part of these networks. This can be seen as a systemic barrier preventing access but it can also be used to target and include qualified First Nations individuals. For example, Former W.A Treasurer Ben Wyatt is the only First Nations person that has ever served on the Board of an ASX 200 company, and was identified by Chair Richard Goyder as a “captain’s pick” in the AICD magazine 2023.

While 'captain’s picks' highlight individual successes, establishing industry-wide standards for diversity in recruitment practices can ensure these are not isolated instances but part of a sustained effort to diversify leadership across the board, one that expands the networks from which leaders are drawn and promotes diversity as a criterion of leadership selection, ensuring Indigenous Australians have equal opportunities for representation in corporate governance.

In the United States, NASDAQ has established a policy setting requiring listed companies to publicly disclose board diversity and have or explain why they do not have diverse directors from a gender and a racial perspective. Adopting models like NASDAQ’s in Australia could help dismantle barriers for First Nations individuals in leadership. This shift towards inclusivity and accountability would not only diversify our corporate governance but also ensure First Nations perspectives are integral in our economic decision-making. It’s a necessary step towards rectifying historical exclusions and enhancing the richness of our corporate landscape.

Asset Management Industry

One of the key mechanisms that has driven progress towards positive ESG outcomes such as gender representation in leadership is owed in part to the influence of institutional investors and asset managers who play an active ownership role in line with UN Principles for Responsible Investing and steward their investee companies accordingly.

First Nations people and their assets are already significant stakeholders in Australia's largest companies, yet there is a gap in how Indigenous capital is actively used to advocate for First Nations representation in leadership. Super funds and asset managers, as custodians of Indigenous capital, must adopt a more proactive stance, similar to their efforts in promoting gender diversity. This entails engaging with First Nations advisors, employing the principles of responsible investing, and ensuring that investment strategies actively support the advancement of First Nations leadership within the corporate sector.

The finance sector more broadly also has an important role to play by providing insights for further policy improvements. For example, whilst the median income for First Nations people is routinely reported by the ABS, median wealth is not. Without a clear understanding of First Nations wealth disparities nationally and at the local level, there will be limitations in what we understand about the depth of the challenge in closing the various social and economic gaps with First Nations people.

To address these challenges, I propose the following targeted actions:

- Commitment from the Commonwealth Treasurer to investigate and institute a strategy to divulge and address First Nations wealth disparities in collaboration with the ABS, finance and asset management sectors.
- Commitment from the Federal Government's Future Fund to incorporate First Nations goals and aspirations into their responsible investment and stewardship strategy.
- Commitment from Superannuation Fund's, institutional investors and asset managers to incorporate First Nations advice into their responsible investment and stewardship strategy.

Conclusion

In conclusion, the necessity for increased representation of First Nations people at the highest levels of corporate and community leadership remains the focal point of my work and advocacy and requires a multi-faceted approach. With respect, I note William Cooper's pursuit of First Nations representation in government decision making, I see a clear parallel in the need for stronger Indigenous leadership representation across the economic landscape.

This perspective aligns with the core message of my submission, emphasising the importance of a strategic, inclusive approach to leadership that spans all sectors of Australian society. As Cooper championed the rights and recognition of Indigenous Australians, I urge the Yoorrook Justice commission to harness your advocacy and ensure that the wisdom, perspectives, and potential of First Nations people are integral to our national progress. By dedicating myself to these principles, I aim to honour the legacy of past leaders while forging a path towards a more equitable and inclusive future, where the contributions of First Nations professionals are valued and central to the fabric of Australian leadership.