

THE STORIES

Darwin, Northern Territory

AIR NGUKURR

Yugul Mangi Clan Development Pty Ltd, trading as *Air Ngukurr*, is 100% owned by the Indigenous people from the Ngukurr area in southern Arnhem Land. The company began in 1999, in reaction to the poor aerial services in the region. *Air Ngukurr's* six year history is an amazing story of persistence against many hurdles. However, today they are regarded as a significant and successful Indigenous owned aircraft operator in the Northern Territory. They operate 16 planes, and employ 25 staff and bring incredible pride to the community of Ngukurr.

The Story So Far . . .

Tired of the *'take it or leave it'* attitudes of aerial businesses servicing their community, five traditional owners of Ngukurr, with the support of their local council – Yugul Mangi Community Government Council, decided to create their own air service.

The founders were motivated by three goals. Firstly, the provision of an essential and quality air service for the benefit of the Ngukurr community, thus avoiding the possibility of being held to ransom by private operators or not having any service at all. In particular, the founders wanted a service that enabled emergency and



CEO Noel Bleakley with two of his pilots

BUILDING THE FUTURE THROUGH ENTERPRISE Stories of Successful Enterprises and Entrepreneurs

essential transport, especially including the opportunity for Ngukurr residents to be able to attend funerals and other significant cultural ceremonies and events during the wet season, when roads can be closed for months at a time.

Secondly, the founders wanted to create employment. The company particularly has the dream of identifying and supporting Indigenous young people with the achievement levels and motivation to complete the long, costly and difficult training to achieve a Commercial Pilot's Licence.

Finally, they were motivated by the desire to build wealth for the benefit of the shareholders and members of the communities that the company services.

The business was established as a partnership – 40% ownership by the Yugul Mangi Community Government Council and 60% ownership by the five traditional owners (12% each). The owners appointed three Indigenous Directors who determine policy and a Chief Executive Officer to manage the day to day operations.

During its six year life, the business has evolved to operate 16 planes and employs 25 enthusiastic staff. The company is headquartered in Darwin, owning their own administrative centre, passenger terminal and hanger space at Darwin Airport. It also operates remote bases at Ngukurr and Groote Eylandt. This achievement has been without any government or grant assistance and despite some initial poor managerial advice.

The company has reached a stage where additional outside funding is required to enable it to move beyond their 'cross hire' arrangement with aircraft. While the company continues to hire rather than own aircraft, in the words of Noel Bleakley, company CEO – *'We simply build wealth*



Inside the Air Ngukurr Terminal

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for others rather than the company, to the tune of \$600,000 annually . . . we are stuck in a circle and need to break out . . . It also continues a pattern where the company is dependant on outside plane availability, and this restricts the company's flexibility and potential for growth and expansion. The lack of plane ownership means the company can not even achieve a bank overdraft, let alone bank finance.'

Future windows of opportunity are there for *Air Ngukurr*. The company is regularly approached by Indigenous communities (especially in Arnhem Land) who are dissatisfied with their current provider of air services, asking if the company could provide alternative public transport services.

The Impact

The Indigenous people of Ngukurr are proud of this airline, which in six years has grown from simple remote beginnings and limited capital to an airline that is one of the major operations functioning from the general aviation area at Darwin Airport. The company has



Passengers boarding a plane

the capacity to fly passengers or cargo to any destination in Australia, night or day and achieves a turnover of more than \$5 million annually.

Air Ngukurr is one of three Northern Territory owned airlines operating from Darwin and the only airline which is 100% Indigenous owned.

Success Factors

Staff and outside observers agree on five critical factors regarding the long term success of *Air Ngukurr*.

SUCCESS FACTORS

- Community Pride
- Vision
- Strategic Management & Leadership
- Service Standards
- Staff Commitment

Community Pride

In the words of Joe Martin – Jard, Executive Director of Indigenous Business and Industry Services in the Northern Territory Government – *‘Without doubt that intangible factor of community pride has played a significant factor in Air Ngukurr’s services. Community people have incredible pride in having a sophisticated business like an airline. They are proud to see their planes in the sky, and are very supportive.’*

Vision

Directors and management have always had a simple, but powerfully articulated vision of what they want the company to achieve and the directions in which they want the company to grow. The vision has also never been limited to a local service – *‘They have always seen themselves as part of the wider economy of the Northern Territory,’* according to Joe Martin – Jard.

Strategic Management and Leadership

The CEO of *Air Ngukurr*, Noel Bleakley, brings forty years of Northern Territory work experience within a range of technical, business and management fields. More importantly, Noel brings a passion and empathy for the task and the customer base he services. Noel can converse and understand the Indigenous East Arnhem language. His leadership has been essential in enabling the company to overcome financial liabilities. In the words of Joe Martin – Jard – *‘When Noel took over the reins, the horse was pretty lame.’*

Service Standards

Andrei Koeppen, CEO of Yugul Mangi Community Government Council, commented on the fact that out of 21 clan enterprises initiated in Ngukurr, *Air Ngukurr* is one of the few to have ongoing success. For him, a major factor is *'their reputation related to quality service*



Bathurst Island Terminal

delivery and reliability.' This has resulted in other Aboriginal communities and government departments wanting to support and utilise their service. *Air Ngukurr* is proud of the high level of service standards they have achieved.

Staff Commitment

Noel Bleakley believes that the commitment and enthusiasm of staff has been instrumental in the company's success. To him, it has been essential that the staff passionately share the vision of the company.

Advice to other Indigenous people contemplating the enterprise option

Noel Bleakley has three simple pieces of advice –

‘Do what you do well – don’t take on work you cannot fulfil.’

‘Be wise in the choice of people you seek to partner with –there are so many stories of Indigenous business failing due to exploitation by non – Indigenous people simply seeking an opportunity for exploitation and a fast buck.’

‘Treat every transaction on a commercial basis – Air Ngukurr staff, community, directors and stakeholders do not get any special financial considerations.’

For Further Information

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